Industry, Economic Development
And Mines

Industrie, Développment
économique et Mines

Annual Report 2004 - 2005

Rapport annuel 2004-2005

Manitoba

106-00352/

MINISTER OF INDUSTRY, ECONOMIC
DEVELOPMENT AND MINES

Winnipeg, Manitoba, CANADA
R3C 0V8

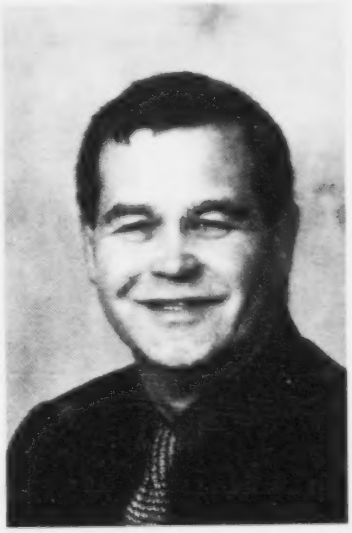
His Honour John Harvard, P.C., O.M.
Lieutenant Governor of Manitoba
235 Legislative Building
Winnipeg MB R3C 0V8

May It Please Your Honour:

I am pleased to present the Annual Report for the Department of Industry, Economic Development and Mines for the fiscal year ending March 31, 2005.

Respectfully submitted,

Jim Rondeau
Minister



MINISTER OF INDUSTRY, ECONOMIC
DEVELOPMENT AND MINES

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Son Honneur John Harvard, P.C., O.M.
Lieutenant gouverneur du Manitoba
Palais législatif, bureau 235
Winnipeg (MB) R3C 0V8

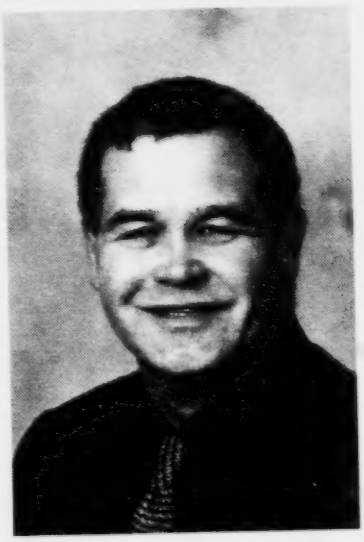
Le pouvoir s'il vous plaît Votre Honneur,

J'ai le plaisir de présenter à Votre Honneur le rapport annuel du ministère de l'Industrie, du Développement économique et des Mines pour l'exercice se terminant le 31 mars 2005.

Je vous prie d'agréer, Monsieur le Lieutenant-gouverneur, l'expression de mon profond respect.

Le ministre,

Jim Rondeau



Manitoba

Deputy Minister of
Industry, Economic
Development and Mines

Winnipeg, Manitoba, CANADA
R3C 0V8

Honourable Jim Rondeau
Minister of Industry, Economic Development and Mines
Room 358, Legislative Building
Winnipeg, Manitoba

Dear Minister:

I have the honour of presenting the Annual Report for the Department of Industry, Economic Development and Mines for the period April 1, 2004 to March 31, 2005.

The activities and efforts undertaken by the department with our industry partners support our vision of Manitoba obtaining an internationally competitive economy, with the best quality of life in the world.

The mission of the department is to work collaboratively with businesses, people and communities to: increase their capacity to succeed; enhance the competencies they need to prosper; raise their profiles, locally, nationally and internationally; and foster an environment that supports sustainable economic growth.

Departmental activities support the goals of the department and the overall objectives of the Manitoba Government. Working towards Manitoba's vision, I am pleased to profile a few outcomes achieved in 2004/05:

- The Canada/Manitoba Business Service Centre (C/MBSC) responded to approximately 40,000 walk-in/phone business and trade-related inquiries, with the C/MBSC website registering 223,000 visitors and receiving approximately 2.3 million requests for information from the website. The Business Counsellors of the Small Business Development Branch incurred approximately 5,400 client interactions during the year.
- The C/MBSC established eight additional regional offices throughout Manitoba for a total of 32 regional C/MBSC offices. This includes 11 C/MBSC regional offices which have a primary focus on Aboriginal Business Development.
- Continued support of the e-Future Centre which provides the information small and medium sized enterprises need to enable them to be aware and adopt e-commerce and e-business technologies within their business. The e-Future Centre responded to approximately 1,400 e-business related inquiries.
- Over 780 participants attended the 29 three-day Business Start Workshops conducted throughout Manitoba, including 8 workshops delivered in the rural and northern areas.
- Work continued with Manitoba's industrial sectors to encourage expansion through the identification of new opportunities and the adoption of new technologies. Most sectors faced pressures brought on by the rising value of the Canadian dollar, increased off-shore competition and the Bovine Spongiform Encephalopathy (BSE) crisis. The aerospace sector in particular, faced the lingering effects of 911.
- The Composite Innovation Center at Smart Park continued to assist a wide range of our industries in the development of light weight, high-strength composite materials which are now essential for future products related to fuel efficient vehicles, civil infrastructure and a wide variety of other manufacturing and construction applications.

- The Vehicle Technology Center (VTC) to which Industry Consulting Services Branch provides staff and infrastructure support moved forward with several projects including the acquisition of a corrosion test chamber at the Industrial Technology Centre, participation in the winter test program of a hydrogen fuelled hybrid New Flyer bus and a vehicle dynamometer to enhance the capability of Western Canada Testing Inc. (West Test of Portage la Prairie). The test equipment and programs continued the VTC efforts to strengthen the vehicle transportation sector infrastructure providing important additional services to Manitoba's transportation and equipment manufacturing industries.
- Under the *Provincial Nominee Program for Business* (PNP-B), since the Program's launch in October 2000, over 850 applications have been received, with 523 approvals to date. The average proposed investment in 2004 was $408,432.83 and this level of investment is expected to climb. Prior to the launch of the Program, Manitoba was receiving 10 to 15 business immigrants per year, each one investing an average of $100,000.00.
- The PNP-B reports to date 72 businesses have now started in Manitoba with an investment of $36,144,224.00.
- The PNP-B has approved its first Young Farmer Nominee since launching the new program in 2004. The number is now projected to climb as more prospective applicants become aware of the program.
- Industry Consulting furthered its work with several partners and stakeholders culminating in the announcement of a three year, $4 million Advanced Manufacturing Initiative designed to assist local manufacturers to adopt the most advanced manufacturing methods and technologies to ensure their ongoing competitiveness. The Advanced Manufacturing Initiative will receive $1.84 million, consisting of matching federal and provincial shares, under the Canada-Manitoba Economic Partnership Agreement with the remainder of the $4 million coming from industry.
- The buoyancy in the Mining Industry continued in 2004 with metal prices maintaining a high level. An active exploration year was evidenced by the issue of 821 mining claims and the number of Exploration Licenses issued increased from 35 (668,412ha) in 2003 to 72 (1,436,123ha) in 2004, an increase of over 100%. The majority is held by a major diamond company. Other commodities include uranium, gold and nickel.
- New geological mapping in the Superior Boundary Zone and Thompson Nickel Belt, has provided important information on the potential for nickel and gold depcsits in the Thompson region. Geoscience studies in the Bissett and Lynn Lake areas provided data on gold and platinum group metal deposits near those communities, while collaborative initiatives with the Geological Survey of Canada involved a range of studies in the Thompson region and Manitoba's Far North.
- Partnerships and collaborative projects continue to expand the ability of the Manitoba Geological Survey (MGS) to provide a wide range of geoscience programs in Manitoba. In 2004/05, MGS was involved in 26 individual partnered programs, involving the federal government, other provincial governments, the mineral industry and several universities. These projects generated approximately $1.55 million toward geoscience funding in the province and mentored the next generation of geoscientists, including two Post-doctoral Fellows, five Ph.D. students, six M.Sc. students and one B.Sc. student, from five Canadian and two American universities.
- The annual Manitoba Mining and Minerals Convention hosted over 800 industry participants, reflecting the mining sector's vibrant presence in Manitoba. The Convention provided a venue for participants to learn of the latest government geological information releases, exploration and mining services and business opportunities.
- Under the Mineral Exploration Assistance Program (MEAP), 101 applications were approved that proposed almost $50 million in exploration expenditures. Under the Manitoba Prospectors Assistance Program (MPAP), 12 prospecting programs were completed that generated prospecting expenditures of close to $100,000.
- The department proactively promoted Manitoba's mineral investment advantages at a number of industry meetings including the Prospectors and Developers Association of Canada Convention in Toronto, the Mineral Exploration Roundup in Vancouver and the San Francisco Gold Conference.

- Major outreach activities were undertaken with the mineral education initiatives such as the Manitoba Mining and Minerals Convention Schools Program, National Engineering and Geoscience Week at St. Vital Mall, and Provincial Mining Week. The free activities drew more than 2,700 visitors from the public and the school tours program.
- Building on the success of the Prospector Training program, in partnership with Sagkeeng First Nation, a new Outreach initiative developed in collaboration with University College of the North (UCN) to delivery community based programming across the north to develop basic field skills as well as prospecting.
- In 2004, petroleum industry spending in Manitoba increased by 17% to $116.8 million. A total of 27 exploratory and 92 development wells were drilled with a drilling success rate of 97%.
- A new oil field, Sinclair Field, was discovered 35 km southwest of Virden. Development of the Sinclair Field will result in significant benefits to landowners, oil and gas rights owners and all levels of government.
- The Mineral Resources Division continued work, in partnership with the Geological Survey of Canada and Saskatchewan Industry and Resources, on a two-year project under the Targeted Geoscience Initiative II to study the architecture and hydrocarbon potential of the Williston Basin.
- In November 2004, the Premier's Economic Advisory Council (PEAC) hosted "Bridging Opportunities: a summit on Aboriginal business development and increasing the Aboriginal workforce". More than 175 invited participants developed recommendations which are now being developed by PEAC into an implementation framework. The final report of the Summit was released in March 2005.
- The department has made advances in French language service delivery to our Francophone clients: Small Business Development Branch developed and delivered workshops and seminars in French; the Business Start Program was delivered at the St. Boniface Bilingual Service Centre: new mineral education materials were produced in French; a French component was incorporated into Provincial Mining Week campaign held at The Forks and the Schools Program at the Manitoba Mining and Minerals Convention.

The department supports the Principles and Guidelines set out in The Sustainable Development Act. Sustainable development initiatives undertaken within the operation of the department's programs are: minimizing waste through the efficient use of office supplies and recycling; increased utilization of the internet to communicate and disseminate information to our internal and external clients; delivery of a variety of workshops, seminars, business counselling sessions and research assistance suitable for use by businesses involved with the production/delivery of environmental products and services; and participation on various sustainable development committees and working groups such as the Code of Practice; Financial Management and Sustainability Reporting teams.

The Petroleum Branch has implemented an internal policy that gasohol should be utilized as the fuel of choice for inspection vehicles, where available. During 2004/05, 43.1% of the fuel used by the Branch was gasohol, compared with 41.4% in 2003/04.

Under the Manitoba Orphan Mine Site Rehabilitation Program, 2004 was the last year of a four-year program, with a final expenditure of $150,000. This completes the initial work and assessments at five critical sites with regards to Environment and safety. Total expenditures over the period were $1 million. The five sites are Sherriden, Gods Lake, Lynn Lake, Snow Lake and Baker Patton.

Under the Pits and Quarries Rehabilitation Program, over 90 projects were completed at a cost of $1.5 million. This is a highly successful program that contributes significantly to the economy of small rural communities by providing employment opportunities to local people.

The department will continue to undertake initiatives and strategic planning that will contribute to the success of Manitoba business expansion, job growth and mineral investment.

Respectfully submitted,

Hugh Eliasson

Manitoba

Deputy Minister of
Industry, Economic
Development and Mines

Winnipeg, Manitoba, CANADA
R3C 0V8

Monsieur Jim Rondeau
Ministre de l'Industrie, du Développement économique et des Mines
Palais législatif, bureau 358
Winnipeg (Manitoba)

Monsieur le Ministre,

J'ai l'honneur de vous présenter le rapport annuel du ministère de l'Industrie, du Développement économique et des Mines pour la période du 1er avril 2004 au 31 mars 2005.

Les activités et les efforts du ministère, en collaboration avec nos partenaires du secteur, viennent appuyer notre vision pour le Manitoba, à savoir une économie concurrentielle à l'échelle internationale et assortie de la meilleure qualité de vie au monde.

Le ministère a pour mission de collaborer avec les entreprises, la population et les collectivités aux fins suivantes : accroître leur capacité de réussite, améliorer les compétences nécessaires à leur prospérité, rehausser leur image à l'échelle locale, nationale et internationale et favoriser l'établissement d'un milieu propice à la croissance durable de l'économie.

Les activités ministérielles viennent appuyer les objectifs du ministère et de l'ensemble du gouvernement du Manitoba. Aussi, permettez-moi de vous présenter un bref aperçu de quelques-unes de nos réalisations qui, au cours de l'exercice 2004-2005, ont contribué à la réalisation de notre vision pour le Manitoba.

- Le Centre de services aux entreprises Canada-Manitoba a répondu à environ 40 000 demandes en personne ou par téléphone touchant les entreprises et le commerce, et son site Web a enregistré 223 000 visiteurs et a reçu quelque 2,3 millions de demandes d'information (par Internet). Les conseillers en affaires de la Direction du développement des petites entreprises ont entretenu des rapports avec quelque 5 400 clients pendant l'année.
- Le Centre de services aux entreprises Canada-Manitoba a établi huit nouveaux bureaux régionaux un peu partout dans la province, portant à 32 le nombre total de ses bureaux régionaux. De ce total, 11 bureaux régionaux sont destinés principalement au développement des entreprises autochtones.
- L'appui continu du Centre du cyberfutur du Manitoba aux cyber-entreprises permet de fournir aux petites et moyennes entreprises les renseignements dont elles ont besoin pour connaître et adopter les technologies propres au cyber-commerce et aux cyber-entreprises. Le Centre du cyberfutur a répondu à quelque 1 400 demandes portant sur le cyber-commerce.
- Plus de 780 participants ont assisté aux 29 ateliers de trois jours organisés un peu partout dans la province dans le cadre du programme Lancement d'entreprises, dont huit dans les régions rurales et du Nord.
- Le ministère a continué de collaborer avec les secteurs industriels du Manitoba pour favoriser leur expansion, en trouvant de nouvelles possibilités et en adoptant de nouvelles technologies. La plupart des secteurs ont également subi des pressions en raison de l'essor du dollar canadien, de la concurrence d'entreprises étrangères et de la crise de la maladie de la vache folle. Le secteur aérospatial, en particulier, a dû faire face aux répercussions importantes des événements du 11 septembre.

- Le Composite Innovation Centre dans le parc technologique Smart Park a continué d'appuyer un bon nombre de nos industries en ce qui concerne le développement de matériaux composites légers à haute résistance, qui de nos jours sont essentiels à la fabrication future de produits liés aux véhicules à faible consommation de carburant, aux infrastructures civiles et à une grande variété d'autres applications dans le domaine de la fabrication et de la construction.
- Le Centre de technologie des transports (CTT) auquel les Services d'experts-conseils fournissent du soutien au personnel et en matière d'infracstructrue a fait avancer plusieurs projets, notamment l'acquisition d'une chambre d'essais de corrosion au Centre de technologie industrielle, la participation au programme d'essais d'hiver d'un autobus urbain hybride à base d'hydrogène et d'un dynamomètre pour véhicule visant à améliorer la capacité de la Western Canada Testing Inc. (West Test à Portage-la-Prairie). Cet équipement d'essai et ces programmes ont continué à permettre au CTT de renforcer l'infrastructure du secteur des transports en offrant d'importants services supplémentaires aux industries manitobaines du transport et de la fabrication d'équipement.
- Depuis le lancement du programme Candidats du Manitoba pour les gens d'affaires en octobre 2000, plus de 850 personnes ont présenté une demande dans le cadre du programme, dont 523 ont été approuvées. Les investissements moyens proposés en 2004 s'élevaient à 408 432 $ et l'on s'attend à ce que ce niveau d'investissement augmente. Avant le lancement du Programme, le Manitoba recevait de 10 à 15 gens d'affaires immigrants par année, chacun investissant en moyenne 100 000 $.
- À ce jour, 72 entreprises ont été lancées au Manitoba dans le cadre du programme Candidats du Manitoba pour les gens d'affaires, ce qui représente un investissement de 36 144 224 $.
- Le programme Candidats du Manitoba pour les gens d'affaires a approuvé son premier candidat parmi les jeunes agriculteurs depuis le lancement du nouveau programme en 2004. Ce nombre devrait augmenter à mesure que de plus en plus de candidats potentiels découvrent le programme.
- Les Services d'experts-conseils a poursuivi ses travaux entrepris en collaboration avec plusieurs partenaires et intervenants, lesquels se se sont soldés par l'annonce d'une initiative de fabrication avancée de 4 millions de dollars répartis sur une période de trois ans. Cette initiative a été conçue pour aider les fabricants locaux à adopter les méthodes et les technologies de fabrication les plus avancées afin de maintenir leur compétitivité. Dans le cadre de l'Entente de partenariat économique Canada-Manitoba, l'Initiative de fabrication avancée recevra un total de 1,84 million de dollars, consistant en des contributions à parts égales des gouvernements fédéral et provincial; le reste du financement de 4 millons de dollars proviendra de l'industrie.
- L'industrie minière a continué de prospérer en 2004 grâce aux prix des métaux qui sont demeurés élevés. L'année s'est avérée fructueuse sur le plan des explorations comme l'attestent les 821 concessions minières qui ont été enregistrés et le nombre de permis d'exploration délivrés est passé de 35 (pour une superficie de 668 412 hectares) en 2003, à 72 (pour une superficie de 1 436 123 hectares) en 2004, soit une augmentation de plus de 100 %. La plupart des concessions minières et des permis d'exploration appartiennent à une entreprise importante d'exploration diamantifère. D'autres métaux visés comprennent l'uranium, l'or et le nickel.
- De nouvelles cartes géologiques de la zone bordière supérieure et de la ceinture nickélifère de Thompson ont fourni des renseignements importants concernant le potentiel en gisements de nickel et d'or dans la région de Thompson. Des études géoscientifiques dans les régions de Bissett et de Lynn Lake ont fourni des données sur les gisements métalliques en or et en platine près de ces collectivités, tandis que des initiatives concertées avec la Commission géologique du Canada ont donné lieu à un large éventail d'études dans la région de Thompson et dans le nord du Manitoba.
- Grâce à des partenariats et des projets de collaboration, les Levés géologiques du Manitoba continuent d'améliorer leur capacité d'offrir une plus vaste gamme de programmes de sciences de la terre au Manitoba. En 2004-2005, Levées géologiques du Manitoba a participé à 26 programmes de partenariat individuels en collaboration avec le gouvernement fédéral, d'autres gouvernements provinciaux et des intervenants de l'industrie et de plusieurs universités. Ces projets ont généré environ 1,55 millions de dollars pour le financement des programmes de sciences de la terre dans la province et le parrainage de la prochaine

génération de géoscientifiques, notamment de deux boursiers post-doctoraux, cinq étudiants au doctorat, six étudiants à la maîtrise et un bachelier en sciences inscrits à cinq universités canadiennes et à deux universités américaines.

- Le Congrès annuel manitobain sur les mines et les minéraux a accueilli plus de 800 participants de l'industrie, ce qui témoigne de la présence vibrante du secteur minier au Manitoba. Le congrès a permis aux participants d'obtenir des renseignements géologiques les plus récents publiés par le gouvernement et de s'informer au sujet des services d'exploration et d'exploitation minières et sur les possibilités d'affaires.
- Dans le cadre du Programme d'aide à l'exploration minière (PAEM), 101 demandes de financement ont été approuvées, représentant un total de 50 millions de dollars en dépenses d'exploration. Dans le cadre du Programme d'aide à la prospection du Manitoba, 12 programmes de prospection ont été menés à terme, engendrant des dépenses de prospection de près de 100 000 $.
- Le ministère a participé activement à la promotion des avantages de l'investissement dans le secteur minier au Manitoba au cours de nombreuses réunions avec des intervenants de l'industrie, notamment à la conférence de l'Association canadienne des prospecteurs et des entrepreneurs à Toronto, à la réunion annuelle sur l'exploration minière à Vancouver et à la conférence sur l'or à San Francisco.
- D'importantes activités de promotion ont été organisées dans le cadre d'initiatives d'éducation dans le domaine minier comme le programme scolaire du Congrès manitobain sur les mines et les minéraux, la Semaine nationale du génie et des géosciences au centre commercial de Saint-Vital et la Semaine provinciale du développement minier. Les activités offertes gratuitement ont attiré plus de 2 700 visiteurs (grand public et élèves participant à des programmes pédagogiques).
- Fort du succès qu'a connu le programme de formation des prospecteurs présenté de concert avec la Première nation de Sagkeeng, une nouvelle initiative de sensibilisation a été élaborée en collaboration avec le Collège universitaire du Nord (CUN) en vue d'offrir des programmes communautaires partout dans la région du nord afin de développer des compétences pratiques de base et dans le domaine de la prospection.
- En 2004, les dépenses de l'industrie pétrolière au Manitoba ont augmenté de 17 % pour atteindre un total de 116,8 millions de dollars. En tout, 27 puits d'exploration et 92 puits de développement ont été forés et le taux de réussite de ces forages était de 97 %.
- Un nouveau champ de pétrole, le champ Sinclair, a été découvert à 35 km au sud-ouest de Virden. L'exploitation du champ Sinclair aura des avantages importants pour les propriétaires, les titulaires des droits pétroliers et gaziers ainsi que pour tous les niveaux de gouvernement.
- La Division des ressources minières a poursuivi son projet de deux ans, amorcé en collaboration avec la Commission géologique du Canada et Saskatchewan Industry, Trade and Resources, dans le cadre de l'Initiative géoscientifique ciblée II, afin d'étudier l'architecture et le potentiel d'hydrocarbures du bassin Williston.
- En novembre 2004, le Conseil consultatif économique du premier ministre a accueilli le sommet Bridging Opportunities qui portait sur le développement des entreprises autochtones et la promotion des travailleurs autochtones sur le marché du travail. Plus de 175 participants invités ont formulé des recommandations que le Conseil s'efforce actuellement d'intégrer dans un cadre de mise en oeuvre. Le rapport final du sommet a été publié en mars 2005.
- Le ministère a amélioré les services en langue française offerts à ses clients francophones. La Direction du développement des petites entreprises a élaboré et donné des ateliers et des séminaires en français. Le programme Lancement d'entreprises a été offert par le Centre de services bilingues – Région urbaine. Du nouveau matériel didactique sur les minéraux a été élaboré en français. Un volet français a été intégré à la campagne de la semaine provinciale du développement minier tenue à La Fourche et au programme scolaire du Congrès manitobain sur les mines et les minéraux.

Le ministère appuie les principes et directives établis dans la *Loi sur le développement durable*. Les initiatives de développement durable entreprises par le ministère dans le cadre de ses programmes sont les suivantes : réduction des déchets par l'utilisation efficace des fournitures de bureau et le recyclage; recours accru à Internet pour les communications et la diffusion d'information aux clients internes et externes; ateliers, séminaires, séances de consultation et aide à la recherche adaptés aux entreprises engagées dans la production ou la fourniture de

produits et de services environnementaux et participation à divers comités et groupes de travail liés au développement durable, comme les équipes sur le code de pratique, la gestion financière et les rapports sur la durabilité.

La Direction des ressources pétrolières a adopté une politique interne selon laquelle le gazohol doit être utilisé comme carburant privilégié dans les véhicules d'inspection chaque fois que cela est possible. En 2004-2005, le gazohol a représenté 43,1 % du carburant consommé par la Direction, comparativement à 41,4 % en 2003-2004.

Dans le cadre du Programme de remise en état des mines abandonnées du Manitoba, l'année 2004 a marqué la fin du programme de quatre ans et s'est soldé par une dépense totale de 150 000 $. Ainsi se terminent les travaux et les évaluations préliminaires effectués sur cinq sites importants dans le cadre de ce programme en ce qui concerne les questions d'environnement et de sécurité. Le total des dépenses au cours du programme s'est chiffré à un million de dollars. Les cinq sites en question sont Sherridon, Gods Lake, Lynn Lake, Snow Lake et Baker Patton.

Plus de 90 projets ont été terminés dans le cadre du Programme de remise en état des carrières et des sablières, au coût de 1,5 million de dollars. Ce programme, qui connait un vif succès, contribue grandement à l'économie des petites collectivités rurales en offrant des possibilités d'emploi aux résidents locaux.

Le ministère continuera d'adopter des mesures et de mettre en œuvre des plans d'action stratégiques qui contribuent au succès du développement des entreprises, de la croissance de l'emploi et de l'investissement dans le secteur minier au Manitoba.

Le tout respectueusement soumis.

Le sous-ministre,

Hugh Eliasson

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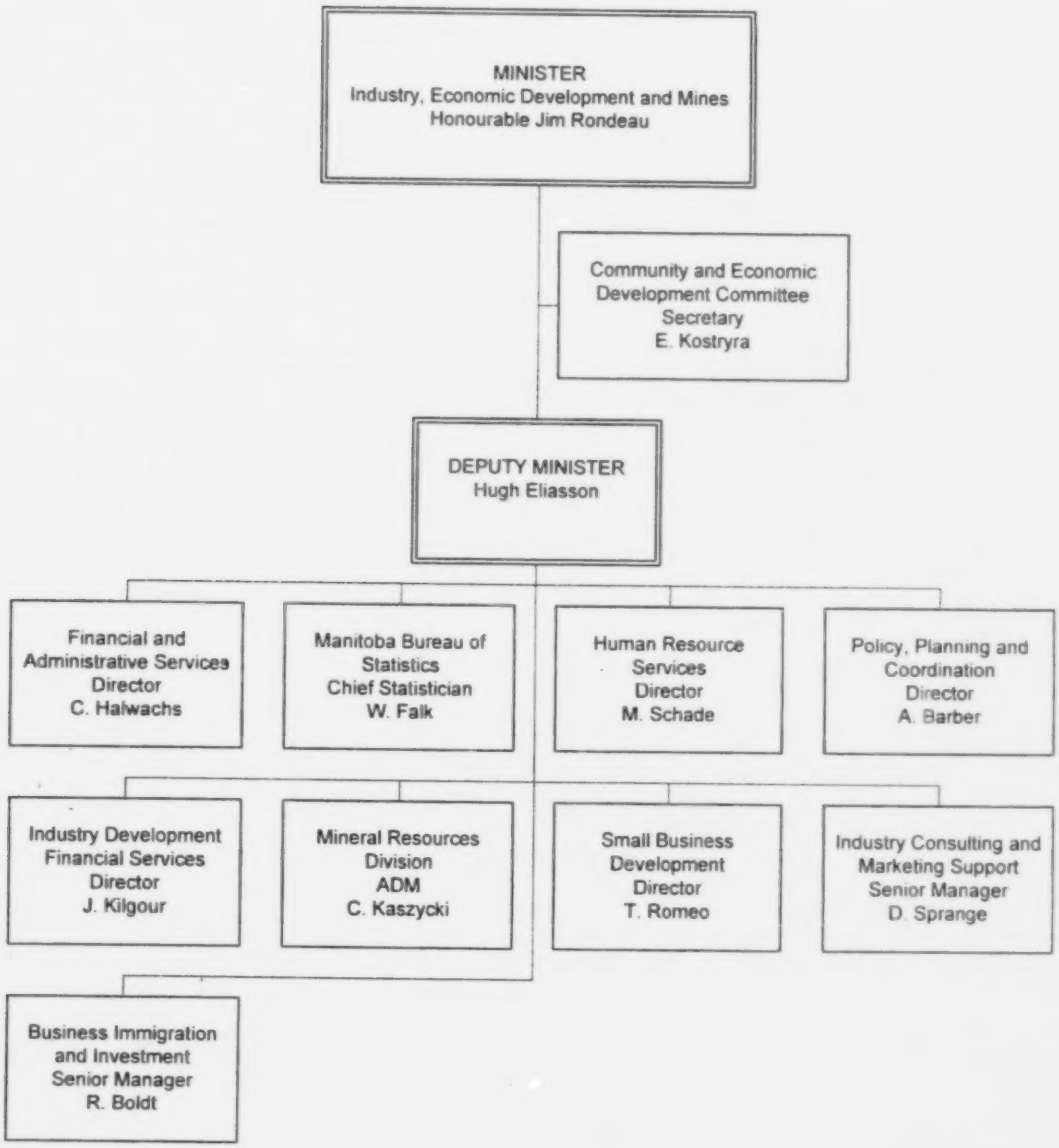
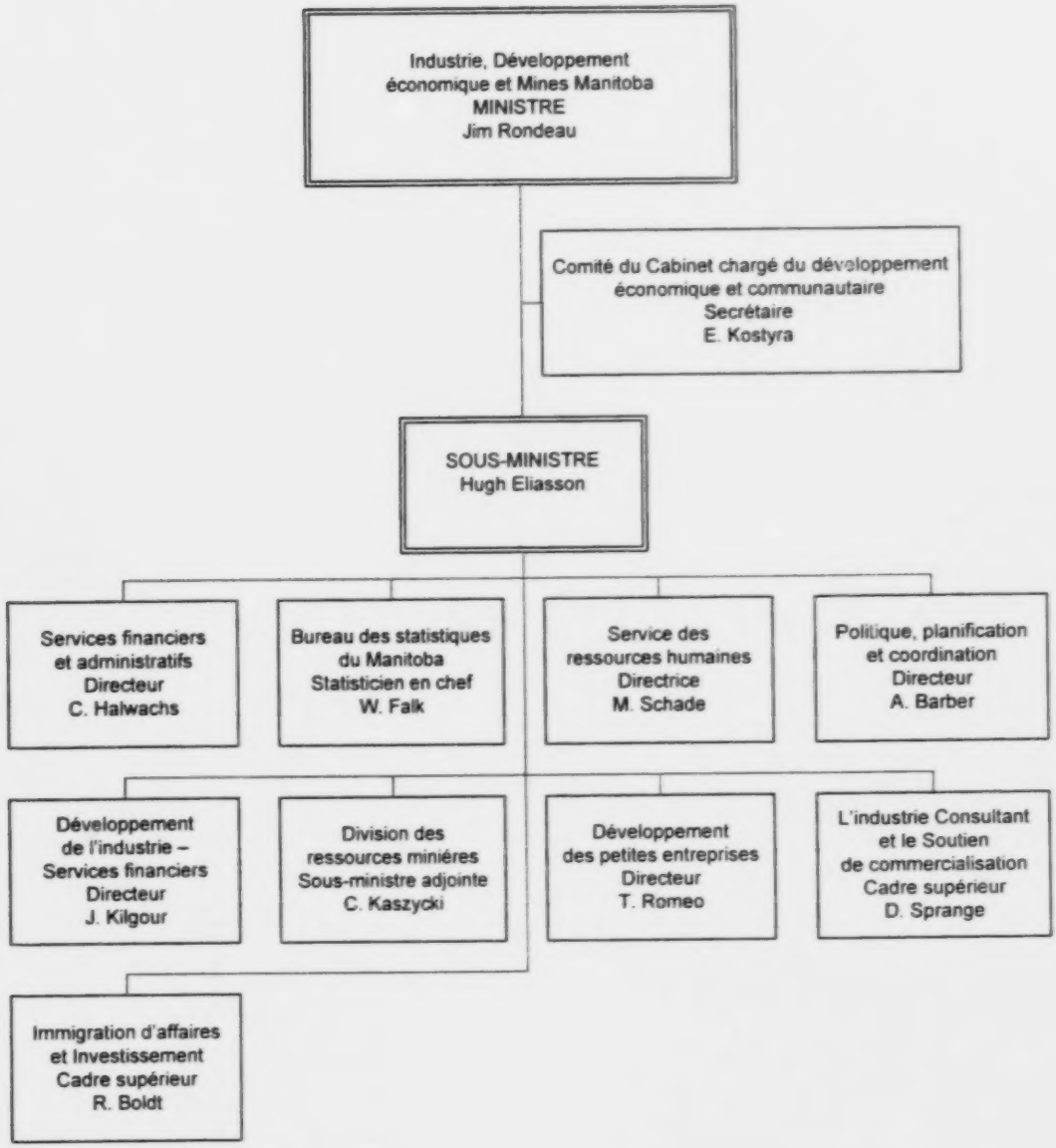
INDUSTRY, ECONOMIC DEVELOPMENT AND MINES
ORGANIZATION CHART
EFFECTIVE MARCH 31, 2005



NOT REFLECTED ON THIS CHART:
THE MANITOBA MINING BOARD,
THE SURFACE RIGHTS BOARD,
THE MANITOBA DEVELOPMENT CORPORATION

INDUSTRIE, DÉVELOPPEMENT ÉCONOMIQUE ET MINES MANITOBA
ORGANIGRAMME
EN VIGUEUR Á COMPTER DU 31 MARS 2005



NE SONT PAS INDIQUÉS DANS L'ORGANIGRAMME LES ORGANISMES SUIVANTS:
LA COMMISSION DES MINES DU MANITOBA,
LA COMMISSION DES DROITS DE SURFACE,
LA SOCIÉTÉ DE DÉVELOPPEMENT DU MANITOBA

PREFACE

INTRODUCTION

In October of 2004, the department was re-organized resulting with Emergency Measures Organization being transferred to Intergovernmental Affairs and Trade.

REPORT STRUCTURE

The Annual Report is organized in accordance with the department's appropriation structure as at April 2004 and in the Main Estimates of Expenditure for the Province. The Report includes financial performance and variance information at the main and sub-appropriation levels and information relating to the department's objectives and results at the sub-appropriation level. The Report also includes information about associated agencies, business assistance, revenue and expenditures, a five-year comparison of expenditures and a staffing analysis.

STATUTORY RESPONSIBILITIES

The Minister of Industry, Economic Development and Mines is responsible for the following:

The Crocus Investment Fund Act
The Design Institute Act
The Development Corporation Act
The Electronic Commerce and Information Act (except Part 5)
The Gas Pipe Line Act
The Gas Allocation Act
The Greater Winnipeg Gas Distribution Act (S.M. 1988-89, c. 40)
The Income Tax Act (sections 7.5 to 7.10)
The Labour-Sponsored Venture Capital Corporations Act
The Mines and Minerals Act
The Mining and Metallurgy Compensation Act
The Oil and Gas Act
The Oil and Gas Production Tax Act
The Statistics Act
The Surface Rights Act

Schedule "L", Order-In-Council 404/2004; and
Schedule "R", Order-In-Council 404/2004

SUSTAINABLE DEVELOPMENT

The department is committed to the Principles and Guidelines set out in The Sustainable Development Act and works to have them incorporate in department activities, programs and business practices.

The Principles and Guidelines of Sustainable Development are:

1. Integration of Environmental and Economic Decisions
2. Stewardship
3. Shared Responsibility and Understanding
4. Prevention
5. Conservation and Enhancement
6. Rehabilitation and Reclamation
7. Global Responsibility
8. Efficient uses of Resources
9. Public Participation
10. Access to Information
11. Integrated Decision Making and Planning
12. Waste Minimization and Substitution
13. Research and Innovation.

The Sustainable Development Procurement Goals:

14. Education, Training and Awareness
15. Pollution Prevention and Human Health Protection
16. Reduction of Fossil Fuel Emissions
17. Resource Conservation
18. Community Economic Development

ORGANIZATION

The department's 2004/05 organization structure is illustrated in the Organization Chart, page i. The Vision, Mission, Critical Priorities, roles, responsibilities and staffing are outlined in the following information.

ROLE AND MISSION

The Vision of Industry, Economic Development and Mines is: ***An internationally competitive economy, with the best quality of life in the world.***

The Mission of Manitoba Industry, Economic Development and Mines is to work collaboratively with businesses, people and communities to:

- increase their capacity to succeed;
- enhance the competencies they need to prosper;
- raise their profiles, locally, nationally and internationally; and
- foster an environment that supports sustainable economic growth.

CRITICAL PRIORITIES

In pursuit of the vision the department has identified the following Critical Priorities:

- productivity and competitiveness;
- international economic opportunities
- community capacity
- sustainable resource development (Stewardship)

Productivity and Competitiveness

- *Create an environment in which*:
- companies have the will, capacity and competencies to continually invest in more efficient and innovative production techniques; and
- the labour force is willing and able to participate in the opportunities that are provided.

International Economic Opportunities

- *Create an environment in which:*
- companies understand and embrace the importance of being internationally competitive; and
- companies have the will, capacity and competencies to do so.

Community Capacity

- identify communities that require support to plan and grow local economic initiatives;
- create an environment in which they have the capacity and competencies to be able to control their own economic goals and success.

Sustainable Resource Development (Stewardship)

- create an environment in which organizations have the will, capacity and competencies to incorporate sustainable development principles into their economic decision making.

Guiding Principles (re: management practices)

Collaboration: with, our clients; our partners; other levels of government; and between Manitoba government departments and colleagues.

Proactivity: thinking strategically; planning and taking the right steps to create the environment we seek, planning together, involving the right people from the start.

Responsiveness: assessing the impact of events and changing economic circumstances; acting quickly to coordinate effective responses; and remaining in line with our Vision and Mission

Fiscal Restraint: innovative and effective use of available resources; creative thinking and working together to get best use of resources; and targeting available resources strategically, in line with our Vision and Mission.Confidential

Cooperative Economic Approach: strategic partnerships with businesses, communities and people; seek to understand clients' needs rather than impose solutions; consider specifically the needs of Aboriginal communities; and decisions/actions that promote inclusivity, equity and sustainable development.

In order to achieve the mission, the department is organized in five divisions:

THE ADMINISTRATION AND FINANCE DIVISION provides support for the operation of the offices of the Minister and Deputy Minister; provides central financial, administrative, human resource and computer support services to the departments of Industry, Economic Development and Mines and Energy, Science and Technology; provides policy support in trade and economic development to the department and across government; co-ordinates and supports departmental strategic and business planning and knowledge management initiatives; and co-ordinates the economic and labour force statistical system to adapt to the changing policy and program requirements of the Manitoba government and Crown agencies.

THE BUSINESS SERVICES DIVISION provides or facilitates businesses' access to capital to spur the establishment and expansion of enterprises and provides assistance and support for mineral exploration and development projects to improve the economic and environmental status of Manitoba; provides sector expertise to businesses in the areas of marketing, technology business development and management; provides department-wide marketing support and development of promotional products; co-ordinates and delivers a range of services for the enhancement and growth of Manitoba's entrepreneurial and small business community; and increases inward investment to attract businesses and business people to Manitoba through general promotion, business or company recruitment, and entrepreneur recruitment.

THE MINERAL RESOURCE DIVISION promotes wise land management and environmentally sustainable economic development in the province based on Manitoba's mineral and petroleum resources; provides authoritative documentation of the province's mineral and petroleum endowment and development potential; delivers mineral incentive programs; administration of legislation governing the disposition of mineral and petroleum rights, exploration, development and production of Manitoba's mineral and petroleum resources and, the rehabilitation of mines, quarries and abandoned petroleum sites; provides for the resolution of disputes between surface and/or mineral rights holders with respect to accessing minerals including oil and gas.

COMMUNITY AND ECONOMIC DEVELOPMENT provides analytical expertise and administrative support to the Community Economic Development Committee of Cabinet; co-ordinates all major government initiatives relating to community and economic development in the province; provides advice and support in the on-going development of Manitoba's economic strategy including identifying priorities, solicits community input and assists in formulating policy and recommendations.

AVANT-PROPOS

INTRODUCTION

En octobre 2004, le ministère a été restructuré. Par conséquent, l'Organisation des mesures d'urgence a été transférée au ministère des Affaires intergouvernementales et du Commerce.

STRUCTURE DU RAPPORT

La présentation du rapport annuel reflète la structure budgétaire du ministère en avril 2004 et celle du Budget des dépenses de la Province. Le rapport contient des renseignements sur les postes principaux et secondaires du budget en ce qui concerne le rendement financier et les écarts par rapport aux prévisions, ainsi que des renseignements sur les postes secondaires en ce qui concerne les objectifs du ministère et les résultats obtenus. Il présente en outre des renseignements sur les organismes associés, le soutien aux entreprises, les recettes et les dépenses, ainsi qu'une récapitulation quinquennale des dépenses et de la dotation en effectif.

RESPONSABILITÉS LÉGISLATIVES

Le ministère de l'Industrie, du Développement économique et des Mines veille à l'application des lois suivantes :

Loi sur le Fonds de placement Crocus
Loi sur l'Institut de design
Loi sur la Société de développement (D60)
Loi sur le commerce et l'information électroniques (sauf la Partie 5)
Loi sur les gazoducs
Loi sur la répartition du gaz
Loi sur la distribution du gaz dans la conurbation de Winnipeg (L.M. 1988-89, c. 40)
Loi de l'impôt sur le revenu (articles 7.5 à 7.10)
Loi sur les corporations à capital de risque de travailleurs
Loi sur les mines et les minéraux
Loi sur l'indemnisation consécutive à l'exploration minière ou métallurgique
Loi sur le pétrole et le gaz naturel
Loi de la taxe sur la production de pétrole et de gaz
Loi sur les statistiques
Loi sur les droits de surface

Annexe « L » du décret 404/2004
Annexe « R » du décret 404/2004

DÉVELOPPEMENT DURABLE

Le ministère s'est engagé à l'égard des principes et directives établis dans la *Loi sur le développement durable* et s'efforce de les intégrer à ses activités, programmes et pratiques.

Principes et directives de développement durable :

1. Intégration des décisions économiques et environnementales
2. Supervision de la gestion de l'environnement
3. Responsabilité partagée et compréhension
4. Prévention
5. Conservation et promotion
6. Récupération et remise en état
7. Responsabilité planétaire
8. Utilisation efficace des ressources
9. Participation du public
10. Accès à l'information
11. Planification et prise de décision intégrées
12. Réduction des déchets et substitution
13. Recherche et innovation

Objectifs de développement durable en matière d'approvisionnement :

14. Éducation, formation et sensibilisation
15. Prévention de la pollution et protection de la santé
16. Réduction des émissions des combustibles fossiles
17. Conservation des ressources
18. Développement économique des communautés

ORGANISATION

L'organigramme qui se trouve à la page i reflète la structure organisationnelle du ministère pendant l'exercice 2004-2005. L'information qui suit porte sur la vision, la mission, les priorités critiques, le rôle et les responsabilités du ministère ainsi que sur sa dotation en personnel.

RÔLE ET MISSION

La vision du ministère de l'Industrie, du Développement économique et des Mines est la suivante : ***une économie concurrentielle à l'échelle internationale assortie de la meilleure qualité de vie du monde.***

La mission d'Industrie, Développement économique et Mines est de collaborer avec les entreprises, la population et les collectivités aux fins suivantes :

- accroître leur capacité de réussite;
- rehausser les compétences nécessaires à leur prospérité;
- rehausser leur image à l'échelle locale, nationale et internationale; et
- favoriser l'établissement d'un milieu propice à la croissance durable de l'économie.

PRIORITÉS CRITIQUES

Pour mettre sa vision en pratique, le ministère a cerné les priorités critiques suivantes :

- productivité et compétitivité;
- débouchés économiques internationaux;
- capacité collective;
- développement durable des ressources (gouvernance).

Productivité et compétitivité

- *Créer un environnement dans lequel :*
- les entreprises ont la volonté, la capacité et les compétences nécessaires pour investir continuellement dans des techniques de production plus efficaces et novatrices;
- la main-d'œuvre est prête à participer aux débouchés offerts et elle est capable de le faire.

Débouchés économiques internationaux

- *Créer un environnement dans lequel :*
- les entreprises comprennent et acceptent l'importance de la compétitivité internationale;
- les entreprises ont la volonté, la capacité et les compétences nécessaires pour ce faire.

Capacité collective

- Cerner les collectivités qui ont besoin de soutien pour planifier et faire naître des initiatives économiques locales;
- créer un environnement dans lequel elles ont la possibilité et la capacité de maîtriser leurs propres objectifs et succès économiques.

Développement durable des ressources (gouvernance)

- Créer un environnement dans lequel les organismes ont la volonté, la capacité et les compétences nécessaires pour intégrer les principes de développement durable à leur processus de prise de décision économique.

Principes directeurs (i.e. : pratiques de gestion)

Collaboration : avec nos clients, nos partenaires, les autres ordres de gouvernement et entre les ministères et les collègues provinciaux.

Proactivité : pensée stratégique; planification et adoption des mesures nécessaires pour créer l'environnement recherché; planification collective et intégration des bonnes personnes dès le départ.

Réceptivité : évaluation de l'incidence de situations et de conditions économiques changeantes; réaction rapide en vue de coordonner des réponses efficaces; conformité à la vision et à la mission.

Compressions budgétaires : utilisation novatrice et efficace des ressources disponibles; pensée créatrice et collaboration pour l'utilisation optimale des ressources; ciblage stratégique des ressources disponibles conformément à la vision et à la mission.

Approche économique coopérative : partenariats stratégiques avec les entreprises, les collectivités et la population; compréhension des besoins des clients plutôt qu'imposition de solutions; attention particulière aux besoins des collectivités autochtones; décisions ou actions qui favorisent l'inclusion, l'équité et le développement durable.

Pour mener à bien sa mission, le ministère est organisé en cinq divisions :

DIVISION DE L'ADMINISTRATION ET DES FINANCES : offre un appui au bon fonctionnement du bureau du ministre et du bureau du sous-ministre. Elle fournit des services centralisés de gestion financière et administrative, de gestion des ressources humaines et de soutien informatique au ministère de l'Industrie, du Développement économique et des Mines ainsi qu'au ministère de l'Énergie, des Sciences et de la Technologie. La Division fournit également un soutien stratégique au ministère et à l'ensemble du gouvernement dans les domaines du commerce et du développement économique. Elle coordonne et soutient les initiatives de planification stratégique et commerciale du ministère ainsi que ses initiatives de gestion du savoir. Elle coordonne les statistiques dans les secteurs de l'économie et de la main-d'œuvre afin de permettre l'adaptation aux nouvelles directives et aux nouveaux programmes du gouvernement et des organismes d'État du Manitoba.

DIVISION DES SERVICES D'AIDE À L'ENTREPRISE : offre un soutien financier aux entreprises ou leur facilite l'accès aux capitaux de création ou d'expansion des entreprises; offre aide et soutien aux projets d'exploration et de développement des ressources minières dans le but d'améliorer la situation économique et environnementale du Manitoba; offre une expertise aux entreprises dans les domaines de la commercialisation, de la technologie et du développement et de la gestion des entreprises; offre au ministère un soutien à la commercialisation et un service d'élaboration de produits promotionnels; coordonne et met en œuvre toute une gamme de services visant à favoriser la croissance des petites entreprises et du secteur de l'entrepreneuriat en général au Manitoba; augmente les investissements locaux afin d'attirer des entreprises et des gens d'affaires au Manitoba à l'aide d'une promotion générale et du recrutement d'entreprises et d'entrepreneurs.

DIVISION DES RESSOURCES MINIÈRES : favorise une gestion rationnelle des terres et un développement économique respectueux de l'environnement en fonction des ressources minières et pétrolières du Manitoba; fournit de la documentation faisant autorité sur les richesses minières et pétrolières de la province et sur les possibilités de développement de celles-ci; offre des programmes miniers incitatifs; administre des lois régissant la disposition des droits miniers et pétroliers, l'exploration, le développement et la production des ressources minières et pétrolières de la province, ainsi que la restauration des mines et des carrières et des installations pétrolières abandonnées; règle des différends entre les détenteurs des droits de surface et les détenteurs des droits miniers en ce qui concerne l'accès aux minéraux, au pétrole et au gaz naturel.

DÉVELOPPEMENT ÉCONOMIQUE ET COMMUNAUTAIRE : fournit un service d'analyse et de soutien administratif au Comité du Cabinet chargé du développement économique et communautaire; coordonne les principales initiatives du gouvernement ayant trait au développement communautaire et économique dans la province; prête ses conseils et son appui au développement permanent de la stratégie économique du Manitoba, notamment en établissant les priorités, en sollicitant l'opinion de la collectivité et en aidant à la formulation de la politique et des recommandations.

ADMINISTRATION AND FINANCE

MINISTER'S SALARY AND EXECUTIVE SUPPORT

The Administration and Finance Division comprises the Executive Support Offices, Financial and Administrative Services, Policy, Planning and Coordination, and Manitoba Bureau of Statistics.

EXECUTIVE SUPPORT

Executive Support includes the Offices of the Minister and Deputy Minister. The Minister provides leadership and direction to ensure the goals and objectives of the department are accomplished. The Office of the Deputy Minister provides the Minister with advice and information regarding issues and matters of concern to the department. Executive Support is responsible for providing the department with policy direction and the overall planning and co-ordination of departmental activities.

10-1(a) Minister's Salary

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Minister's Salary	28.9	1.00	29.4	(0.5)	
Total Expenditures	**28.9**	**1.00**	**29.4**	(0.5)	

10-1(b) Executive Support

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	460.7	8.00	445.3	15.4	
Total Other Expenditures	79.4		80.5	(1.1)	
Total Expenditures	**540.1**	**8.00**	**525.8**	**14.3**	

FINANCIAL AND ADMINISTRATIVE SERVICES

Financial and Administrative Services is comprised of three primary components; Financial and Administrative, Information Technology and Human Resource Services. The branch is a shared services unit and provides services to the departments of Industry, Economic Development and Mines (IEDM) and Energy, Science and Technology (EST).

OBJECTIVES

The goals of Financial and Administrative Services are to: provide leadership, and support in all aspects of human resource management, pay and benefits service, labour relations and occupational safety and health; provide timely, accurate, consistent, and meaningful financial and administrative services and information and; assist the department by coordinating the delivery of department and government wide information technology initiatives and by providing expertise and support program direction. The Branch is customer responsive by providing high quality and timely services such as policy development, administrative and financial management, information technology, and human resource services to the Departments of IEDM and EST and its related Agencies through a centralized support service.

ACTIVITIES/RESULTS

In support of the branch goals and the mission of the Department, the branch processed payments and receipts; provided computer business application development and support services; recruited, deployed, trained and paid staff; administered and coordinated the Department's parking and pool vehicle programs; provided for physical accommodations including furniture and equipment and mail distribution; provided advisory and specialized accounting and financial management services to departmental personnel and related entities; coordinated French language services; supervises the Freedom of Information and Protection of Privacy Act; managed the department's records management program and provided timely, accurate and relevant information to departmental and central agency decision-makers including budgetary and cash flow information to Treasury Board.

In 2004/05 the branch processed the following for EST and IEDM; 48,638 payment/revenue transactions and 460 authority-seeking documents (210 for EST and 250 for IEDM) and 28 Freedom of Information requests (7 for EST and 21 for IEDM).

In addition, the section prepared the Detailed Estimates, Estimates Supplement, Annual Report and all other year-end financial reports for both IEDM and EST.

Human Resource Services provides staffing, employment equity, job analysis and classification, employee counselling, labour relations, and pay and benefits administration. The shared resources of the unit also provide branch management, staff and organizational development, occupational health and safety, and diversity program development.

Human Resource (HR) staff that support IEDM are part of the consolidated HR unit that also services the Departments of Culture Heritage and Tourism, EST, Finance and its SOA's and the Office of the Auditor General.

Activities are carried out in accordance with The Civil Service Act, the Manitoba Government Employee Union Master Agreement, Manitoba labour laws, and Workplace Health and Safety legislation.

Specific activities of Human Resource Services for IEDM during 2004-2005 included:

- The branch continues to co-ordinate the implementation of government-wide policies and initiatives.
- Three permanent and one temporary position vacancies were filled through formal competition process. Thirty-six positions were filled through various direct appointments including short term acting status.
- Prepared detailed classification analysis on twelve reclassification requests under delegated and non-delegated authority.
- Consulted with management/supervisory personnel, employees and the M.G.E.U. in the resolution of various labour relations issues, which included the filing of three grievances.
- Maintained payroll records for 253 IEDM employees.
- Provided benefit information on 6 employee appointments, 8 retirements, 2 long term disability claims..
- IEDM participated in the various internship programs offered through the Civil Service Commission.
- Twenty staff attended seminars on topics covering Workforce Diversity and Conflict Resolution.
- Organizational consulting services provided in the area of Renewal Planning specifically in leadership and employee development.
- Formulated Workers Compensation statistics for distribution to various branches within IEDM in which four accident/injury claims were reported resulting in 18 days lost time.
- Baseline and periodic audiograms are conducted as part of the IEDM's Hearing Conservation Program.

Employment Equity Statistics as at Fiscal Year End

IEDM	2001-2002 Actual (%)	2002-2003 Actual (%)	2003-2004 Actual (%)	2004-2005 Actual (%)
Aboriginal	4.4	4.2	4.6	5.6
Women	47.1	47.9	49.6	51.8
Persons with Disability	2.9	2.9	2.9	4.6
Visible Minority	2.9	3.4	3.4	4.1

Computer Services provides the department with information technology support services including: computer systems design and implementation; equipment evaluation and acquisition (outside Desktop Initiative); user education and assistance (outside the standard suite); and, implementation of government wide initiatives adherence to guidelines and standards set.

Additional Computer Services activities undertaken for EST and IEDM during the year included:

- Implemented versions 1 and 2 of the MB Contact Directory
    - Version 1 (Apr-2004): IntraNet and employee updates
    - Version 2: (Jan-2005): InterNet, Exclusions, Publishing, Toolkits, General Contact Info
- Adopted Microsoft dot net framework and implemented components to build department and enterprise applications.
- Refreshed all desktops to XP and Office XP. Removed legacy software. Removed any dependency on MS-Access97 which may be incompatible with SP2 or the implementation of the MicroSoft Office2003 products planned for fiscal year 2005/06.
- Added new application to track and manage FIPPA requests for both EST and IEDM.
- Replaced legacy application to track Out of Province Travel and report to Treasury Board.
- Redesign of the application which maintains the work commitment requirements to keep Mineral Dispositions in good standing
- Verified more than 80 custom and third party applications for XP compatibility
- Participated on the ITC Restructuring Project by serving as lead on the Working Committee in charge of gathering information on current department applications
- Obtained certification from the Project Management Institute and adopted PMBOK standard for all IT projects in the Minerals Division

- Continuous improvements to the Map Gallery as requested by customers
- System design on Work Commitment System for the Mining Claims.

10-1(c) Financial and Administrative Services

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	1,265.3	21.00	1,221.6	43.7	
Total Other Expenditures	269.8		336.9	(67.1)	
Total Computer Services	108.9		108.3	0.6	
Less: Recoverable from Energy, Science and Technology	(150.0)		(150.0)	-	
Total Expenditures	**1,494.0**	**21.00**	**1,516.8**	**(22.8)**	

POLICY, PLANNING AND COORDINATION

OBJECTIVES

Policy, Planning and Coordination's objective is to provide analytical, advisory and research support services, on behalf of the Department's of Industry, Economic Development and Mines and Intergovernmental Affairs and Trade, to the Ministers, Cabinet and other provincial departments and agencies. This includes undertaking analysis of policy issues, providing critical information and working closely with other partners to promote economic development in Manitoba.

ACTIVITIES/RESULTS

The Branch manages the ongoing implementation of the Agreement on Internal Trade in Manitoba. Efforts in this area include: supporting the Minister's participation as a member of the Ministerial Committee on Internal Trade; serving as Manitoba's Internal Trade Representative; co-ordinating the government-wide participation in the Agreement; and monitoring and participating in disputes arising under the Agreement. During 2004-2005 Premiers' continued to demonstrate their collective commitment to resolving long-standing challenges related to domestic trade through the active participation of the Council of the Federation and the release of a Progress Report on Internal Trade in August 2004. Policy, Planning and Coordination supports the Premiers of Manitoba and New Brunswick in their role as co-leaders of this Council of the Federation initiative. Policy, Planning and Coordination also serves as the lead for coordinating and reporting Manitoba's activities pursuant to the Council of the Federation's Internal Trade Workplan.

As lead agent in governmental and intergovernmental matters related to international trade policy, the Branch develops provincial policy regarding implementation of international trade agreements such as the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO). The Branch also works to ensure that Manitoba priorities and concerns are reflected in new trade negotiations through consultations with key stakeholders. Examples include the negotiation of regional free trade agreements such as the Free Trade Area of the Americas (FTAA) and ongoing WTO negotiations under the General Agreement on Trade and Services (GATS). The Branch provides policy advice on trade issues and disputes in areas such as the recent US trade remedy actions on wheat, hogs and softwood lumber. The Branch provides support to the Minister and the Associate Deputy Minister of Intergovernmental Affairs and Trade for ministerial meetings and conferences, including meetings of Ministers responsible for International Trade and Deputies of International Trade. The Branch also provides support to the Premier including briefings on trade issues for the Western Premiers' Conference, Western Governors' Meetings and the Annual Meetings of the Council of the Federation.

Planning support is provided to the Department, this includes, the development of the departmental strategic planning process, compilation of departmental submissions for Ministerial briefing books, and the monitoring and tracking of issues related to Manitoba's economy.

The Branch represents the Government of Manitoba on the Provincial-Territorial Advisory Committee and the Trade Advisory Committee of the Standards Council of Canada. This function involves interdepartmental co-ordination to represent Manitoba's views on standards-related issues before the Council.

Economic analysis, policy advice, interagency liaison, and selected other services are also provided to the Department by the Branch.

10-1(d) Policy, Planning and Coordination

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	424.7	6.00	425.0	(0.3)	
Total Other Expenditures	104.3		148.9	(44.6)	1
Total Expenditures	**529.0**	**6.00**	**573.9**	**(44.9)**	

1. Variance due to expenditure management.

MANITOBA BUREAU OF STATISTICS

OBJECTIVES

The primary role of the Manitoba Bureau of Statistics (MBS) is to serve the informational requirements of the Manitoba Government, its departments and crown agencies. Specific objectives are:

- to actively participate in and coordinate the development of the Manitoba statistical system in terms of information needs, collection, dissemination, analysis and presentation; and
- to adapt the Manitoba statistical system to address changing policy and program requirements and emerging issues.

In order to further its objective, MBS functions as the designated focal point for interface between the Province and Statistics Canada.

As the provincial central statistical agency, MBS has the following characteristics:

*Impartiality *Selective Specialization *Surveys *Coordination *Legislative Mandate

ACTIVITIES/RESULTS

The MBS strategic thrust is the provision of comprehensive information services to the Manitoba government, its agencies, the business community, and the general public. This strategy is carried out through four major areas of activity:

- responding to requests for MBS developed information; and liaison/coordination with Statistics Canada, provincial user departments/crown agencies, and with other provincial statistical agencies;
- providing common information services in order to avoid duplication of effort and costs in the areas of information collection, analysis and dissemination; and provision of relevant information to senior and executive levels of government;
- undertaking information development, survey consulting/design, statistical consulting, economic impact assessments, information processing, web-based information dissemination systems development, and adequacy of surveys; and
- administrating the Bureau of Statistics and The Statistics Act (Chapter S205).

MBS is a service-driven agency. Selected activities and achievements are as follows:

Economic Accounts – MBS maintained an economic accounts framework for the Manitoba economy. These annual accounts measured the overall performance of the provincial economy, with additional detail about principal industries and sectors. Information from the Economic Accounts is used throughout the public and private sectors in Manitoba. Preliminary economic growth estimates for 2004 were released in February 2005.

Manitoba Population Estimates and Projections – Continued liaison with Statistics Canada and other provincial and territorial statistical agencies regarding the determination of the appropriate statistical methodology to be used to determine provincial and territorial population estimates. These population estimates are of critical importance as they are used to determine Manitoba transfer payments. MBS released a new set of population projections for Manitoba as well as eight economic regions, which replace the previous projections produced in 1999 MBS is currently developing an updated set of Aboriginal population projections by aboriginal group and regional location.

Statistical Information Product Subscriptions – Departmental subscriptions to the full MBS subscription service totalled 12 (4 Manitoba government, 2 municipal government, 2 federal government and 4 business). In addition, the Legislative Library received six complete sets of MBS information products free of charge.

Key Economic Indicator Reports – These reports encompass indicators such as the Labour Force, Consumer Price Index, Population, and Investment. Relevant information is presented in both table and chart formats, and distributed on the day of release to selected Ministers and senior government officials. In addition, the "Quarterly Economic Summary", highlighting recent provincial economic developments, continued to be produced.

Statistical, Economic and Computer Consulting – Statistical, economic, computer and survey consulting services were provided to departments and crown agencies on both a "public good" basis and a cost-recovery basis (larger consulting projects). Major consulting activities have included economic impact assessment of various provincial economic initiatives for provincial departments.

Contract Surveys and Information Development – MBS designed and implemented surveys/information development projects for individual departments and crown agencies on a cost-recovery basis. Projects included Industry, Economic Development and Mines - Trade Statistics Database. MBS continued to conduct the Prices Monitoring Survey in 16 northern Manitoba communities, Brandon and Winnipeg.

Information Dissemination System - MBS has continued to enhance its desktop accessible information systems (e.g. InfoNet, Infoline, Trade, and StatsBase). These systems are accessible via the new MBS Intranet web site. MBS StatsBase, which enables quick access to historical information series on a wide range of topics, is being developed as a new information resource for government.

Interdepartmental Liaison – MBS assisted individual provincial departments and crown agencies with their statistical activities and problems with the objective of avoiding duplication of effort and costs.

Federal-Provincial Liaison - Represented Manitoba's views on statistical matters to Statistics Canada including possible new methodologies to determine Manitoba's population. This activity had a significant impact on the level of federal transfer payments that Manitoba receives. MBS co-ordinated several consultations sessions on the 2006 Census content and procedures with Statistics Canada. As part of the national statistical system, MBS represents Manitoba on the Consultative Council on Statistical Policy as well as a number of other subject matter statistical committees.

Information Requests – MBS responded to inquiries for information from MBS developed databases (Economic Accounts, Investment Statistics, Trade Statistics, Business Register, Vital Statistics, Postal Code Translator File). As well, MBS responded to requests for non-MBS developed data. These information requests ranged from those requiring a single quick response to those that required the development of custom computer-generated reports.

10-1(f) Manitoba Bureau of Statistics

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	622.5	12.00	727.4	(104.9)	
Total Other Expenditures	161.8		162.7	(0.9)	
Less: Recoverable from Other Appropriations	(41.3)		(60.0)	18.7	
Total Expenditures	**743.0**	**12.00**	**830.1**	**(87.1)**	

BUSINESS SERVICES

INDUSTRY DEVELOPMENT - FINANCIAL SERVICES

OBJECTIVES

The role of the Financial Services Branch is to facilitate the creation, growth and expansion of businesses in Manitoba. The role is one of support to the government's economic development strategies. In providing the support the Branch performs the following functions:

- administer several of the programs that provide financing assistance to businesses;
- provides expertise on business case development and business financing to other departments and cross-departmental project teams;
- administers the affairs of the Manitoba Development Corporation; and
- provides accounting and financial management services to other units in the government.

ACTIVITIES/RESULTS

PROGRAMS UNDER ADMINISTRATION

Manitoba Industrial Opportunities Program (the MIOP Program) The MIOP Program provides financial support to assist businesses to expand in Manitoba. The financing is in the form of repayable, secured loans and the repayment terms can be somewhat flexible. Favourable interest rates are available to businesses that undertake significant investment in fixed assets and/or create new jobs. The loans usually are in excess of $500,000. Since its inception in 1988 the MIOP Program has loaned a total of $275 million for 129 business expansion projects. This MIOP Program financing has levered $848 million worth of private sector investment and approximately 14,700 jobs. In 2004/05 the Branch confirmed $6.3 million worth of loans.

Manitoba Business Development Fund (the Fund) The Fund provides financial support to assist with business development activities in Manitoba. The financing is in the form of cost-sharing assistance and usually is non-repayable. The cost-sharing assistance usually is in the range of up to $50,000 and usually is for up to 50% of the cost of the business development activity. The Fund has three sub-programs. The Technology Commercialization Program assists businesses with the development and/or application of new technology. The Feasibility Studies Program assists businesses and business-support organizations with the assessment of new business opportunities. The Special Projects Program assists businesses and business-support organizations with initiatives that are of strategic significance to Manitoba's economy. In 2004/05 the Branch confirmed cost-sharing assistance for 28 new business development projects.

Manitoba Equity Tax Credit Program (the METC Program) The METC Program provides financial support to assist Manitoba-based companies in obtaining public market financing. The financing is in the form of tax credits. The tax credit benefits are provided to Manitobans that buy and hold qualifying securities of qualifying businesses. Manitoba businesses may qualify for up to $5 million per year worth of tax-creditable securities. Since its inception in 1999 the METC Program has assisted three businesses in "going public" and has levered $6.6 million worth of private sector investment capital.

Third-Party Investment Funds Program (the Investment Program) The Investment Program provides financial support to assist Manitoba-based venture capital investment businesses in attracting private sector investment capital. The financing is usually in the form of equity and is usually ranked pari passu with the private sector equity capital. The equity investments usually are in the range of $3 million to $5 million and usually are for up to 20% of the committed capital. Since its inception in 1996 the Investment Program has invested a total of $19.2 million into 6 venture capital investment businesses. The Investment Program has co-invested with $82 million worth of private sector investment which has gone into 82 operating companies.

Manitoba Film & Video Production Tax Credits Financial Services works closely with Manitoba Film and Sound and the departments of Finance and Culture, Heritage and Tourism on the administration of the Manitoba Film and Video Production Tax Credit Program. Financial Services also reviews and processes tax credits for the signature of the Minister of Industry, Economic Development and Mines. During the year ended March 31, 2005, tax credits were processed for 65 productions, involving $11,164,936 in film tax credits.

Labour-Sponsored Investment Funds Program (the LSIF Program) The LSIF Program provides financial support to assist labour-sponsored investment funds (LSIFs) in attracting private sector investment capital. The financing is in the form of tax credits. The tax credit benefits are provided to Manitobans that buy and hold qualifying securities of qualifying LSIFs.

SPECIAL PROJECTS

Capital Markets Initiative The Branch is a leader in collaborative, multi-party efforts to strengthen the depth and breadth of the province's capital markets infrastructure. The leadership role arises from the Branch's expertise and contacts in the finance industry and mandate for facilitating business investment. It also supported business development initiatives for the mining, biotechnology, health sciences, aerospace, film, financial services, and manufacturing and agri-food businesses.

OTHER RESPONSIBILITIES

Manitoba Development Corporation (the MDC) The MDC is the province's agent for administering repayable financial assistance. The Branch administers the MDC's portfolio of loans and investments. As at March 31, 2005, MDC had $77.8 million in financial assets under management.

10-2(a) Industry Development - Financial Services

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	733.3	12.00	849.0	(115.7)	
Total Other Expenditures	363.9		365.2	(1.3)	
Program Delivery:					
- Manitoba Industrial Opportunities Program	8,014.1		9,603.7	(1,589.6)	1
- Vision Capital Fund	607.8		692.9	(85.1)	1
- Manitoba Business Development Fund	1,115.5		1,173.0	(57.5)	
- Third Party Managed Capital Funds	2,898.2		2,473.0	425.2	2
- Less: Interest Recovery	(4,153.9)		(6,449.3)	2,295.4	3

Mineral Industry Support Programs*					
- Mineral Exploration Assistance Program	1,712.6		2,462.1	(749.5)	4
- Manitoba Potash Project	138.1		196.5	(58.4)	5
- Acid Rain Abatement Program – Flin Flon	132.8		132.5	0.3	
- Prospectors Assistance Program	49.5		123.1	(73.6)	6
Total Expenditures	**11,611.9**	**12.00**	**11,621.7**	**(9.8)**	

* Mineral Industry Support Programs are delivered and illustrated under the Mineral Resources Division

1. *Interest expense was less than budgeted.*
2. *Bad debt expense was higher than budgeted.*
3. *Interest recoveries were lower as this is directly related to MIOP.*
4. *Due to expenditure management; expenditures are lower as funds were not reallocated to projects.*
5. *Interest costs were lower due to less funds drawn down and lower general operating costs.*
6. *Grant payments are based on project approval and receipt of customer invoices.*

INDUSTRY CONSULTING AND MARKETING SUPPORT

OBJECTIVES

The role of Industry Consulting and Marketing Support is to provide sector expertise to businesses (manufacturing, processing and services sectors) in the areas of marketing, technology, business development and management.

The Branch also provides marketing related support activities to Manitoba Industry, Economic Development and Mines (IEDM) and Manitoba Intergovernmental Affairs and Trade (IAT). In providing the support the Branch performs the following functions:

- Coordination of marketing activities
- Development and production of consistent and competitive marketing materials
- Development of market intelligence and other information

ACTIVITIES/RESULTS

Industry Consulting
Industry consultants provide sector expertise to businesses (manufacturing, processing, and services sectors) in the areas of marketing, technology, business development, and management. Existing infrastructure advantages are used to maximize economic development opportunities and encourage commercialization and adoption of new technologies and strategic alliances to further strengthen and diversify Manitoba's industrial capabilities.

Sector Development – Sector development activities provide an ongoing analysis of Manitoba's major industrial sectors including aerospace, manufacturing and food processing. Strengths, weaknesses, emerging trends, threats, and opportunities are considered. Sector profiles are developed and competitive comparisons with other major jurisdictions are carried out and monitored.

Project Development – Project development activities within the branch are wide-ranging and include a variety of projects from those initiated by sector planning activities to those responding to company specific opportunities. The objective of all project development activities is to create new jobs and preserve existing jobs and investment in Manitoba.

Highlights of 2004/05
Work continued with Manitoba's industrial sectors to encourage expansion through the identification of new opportunities and the adoption of new technologies. Most sectors faced pressures brought on by the rising value of the Canadian dollar, increased off shore competition from countries like China and the Bovine Spongiform Encephalopathy (BSE) crisis. The aerospace sector in particular additionally faced the lingering effects of 911.

The Composite Innovation Center at Smart Park continued to assist a wide range of our industries in the development of light weight, high-strength composite materials which are now essential for future products related to fuel efficient vehicles, civil infrastructure and a wide variety of other manufacturing and construction applications.

The Vehicle Technology Center to which Industry Consulting Services Branch provides staff and infrastructure support moved forward with several projects including the acquisition of a corrosion test chamber at the Industrial Technology Centre, participation in the winter test program of a hydrogen fuelled hybrid New Flyer bus and a vehicle dynamometer to enhance the capability of Western Canada Testing Inc. (West Test of Portage la Prairie). The test equipment and programs continued the VTC efforts to strengthen the vehicle transportation sector infrastructure providing important additional services to Manitoba's transportation and equipment manufacturing industries.

Industry Consulting furthered its work with several partners and stakeholders culminating in the announcement of a three year $4 million Advanced Manufacturing Initiative designed to assist local manufacturers to adopt the most advanced manufacturing methods and technologies to ensure their ongoing competitiveness. The Advanced Manufacturing Initiative will receive $1.84 million, consisting of

matching federal and provincial shares, under the Canada-Manitoba Economic Partnership Agreement with the remainder of the $4 million coming from industry.

A core element of Industry Consulting's work continues to be its individual project development activities with its project managers often taking a lead role in coordinating the activities and actions of other government departments and agencies to work with business to create new jobs and investment in Manitoba.

Marketing Support Group

Marketing Support Group provides department-wide marketing support and development of promotional products (multimedia marketing materials such as display units, brochures, website promotion, CD-ROMS, etc.). Promotional products are produced in multiple languages, corresponding to various geographic markets of interest. The Marketing Support Group also coordinates placement and production of targeted advertising in selected industrial journals. The Marketing Support Group provides services to both IEDM and IAT, specifically Manitoba Trade and Investment Marketing (MTIM).

Market Intelligence and Information Services

The Market Intelligence and Information Services Program provides information products on export markets for local Manitoba companies and on Manitoba capabilities for potential clients in overseas markets. The Program involves data collection, analysis and dissemination. Key developments over the past years include implementation of a client-tracking database for IEDM, development of website applications and coordination of Manitoba company data collection surveys with federal and provincial delivery partners.

In 2004/05 the Marketing Support Group continued to focus on key priorities:

- Management of internal and external communications
- Partnerships with community organizations to promote "homegrown" economic development
- Development of e-marketing and web site capabilities
- A consistent and cohesive marketing strategy, message, and image
- Maintaining effective relationships with senior officials in government, external agencies, industry associations and consular posts abroad
- Marketing the province at investment conferences.

Web sites and electronic marketing

As well as managing the MTIM web site (http://www.manitoba-canada.com), the Marketing Support Group re-developed and maintained the IEDM website (http://www.gov.mb.ca/itm/index.html) and undertook a complete audit and re-design of the Investing portion of the site. The Marketing Support Group continues to provide web-based support/service to MTIM.

The Marketing Support Group also engaged in several other projects:

- Development work on web-based environmental sector information
- Worked with Financial Services and Small Business Development to develop a new Financial Services database for the IEDM website.
- The Business of Science Symposium information was updated and completed
- Development work was done to assist in the creation of a new site for the Protocol Branch and the Ambassador program (IAT).

Advertising and communications

Several advertising pieces were placed in various site selection and business style journals (both local and international) promoting Manitoba as a great place to invest, work and live. (Investing in Manitoba – IEDM) and also produced and placed several ads for MTIM. Work was done on developing new external advertising for print. Work was also undertaken on behalf of the department on the branding initiative.

The Group also prepared and cooperated in the preparation of two studies comparing the provinces with respect to factors affecting industrial competitiveness.

Production of brochures
The Group updated content for several departmental publications, including:

- Manitoba Industry Sector Summaries
- Manitoba Access Advantage Data Book
- Third party information pieces
- Export Services brochure (Manitoba Trade)
- Provincial Nominee for Business brochure
- Manitoba Quick Facts
- Manitoba, Diverse, Dynamic and Energetic
- Young Farmers Program

Updating and creation of slide presentations for such projects as:

- The master slide repository
- The Provincial Nominee for Business Program presentations in English, Mandarin and Korean
- Various Trade missions
- Biovail presentation
- Global manufacturing presentation

The Group also provided collateral marketing materials to outgoing trade missions, trade visits and to non-governmental organizations pursuing trade and investment related promotions.

Event marketing
Event marketing support was provided for:

- Manitoba Mining and Minerals Convention, November 2004
- Business of Science Conference, October 2004
- Various trade missions
- Honouring Manitoba's Top 50 Fastest-Growing Businesses – the Department hosted this annual successful event, in cooperation with Manitoba Business Magazine, honouring Manitoba's top 50 fastest-growing companies, as well as the Entrepreneur of the Year award.

A new database was developed that targeted out of province business with interests in Manitoba.

10-2(b) Industry Consulting and Marketing Support

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	736.6	10.00	727.9	8.7	
Total Other Expenditures	859.4		944.1	(84.7)	
Total Expenditures	**1,596.0**	**10.00**	**1,672.0**	**(76.0)**	

SMALL BUSINESS DEVELOPMENT

Small business is recognized as the engine that drives the Canadian economy. The Branch's target client groups are the 34,000 small businesses in Manitoba that make up over 90% of all businesses in Manitoba, the self-employed entrepreneurs numbering 86,000 and new business ventures. Branch clients represent businesses from retail, wholesale and manufacturing to services, technology and home-based businesses.

OBJECTIVES

The objective of the Small Business Development Branch is to provide the necessary tools for successful business development. The Branch's primary role is to develop, co-ordinate and deliver services and programs for the enhancement and growth of Manitoba's entrepreneurial and small business community. The Branch has recognized the multi-cultural nature of Manitoba's entrepreneurial community and has customized its programs to address the specific needs of these business people. Services in business management, business planning and access to capital are tailored to meet the needs of new entrepreneurs including women, Aboriginals, new immigrants, youth, people with disabilities and professionals.

ACTIVITIES/RESULTS

The activities of the Branch are generic in scope with the intent of reaching a broad spectrum of individuals and business types. The major thrusts of the Branch are to assist small business start-ups and growth of existing businesses through the provision of management training, information services, counselling and financial assistance. Branch programs and services are developed in partnership with business associations, other government departments (federal and provincial), educational institutions and the public.

The Small Business Development Branch delivers extensive business information, business and trade library services through the Canada/Manitoba Business Service Centre, the e-Future Centre and a variety of programs and services including Business Start, Business Counselling, Manitoba Marketing Network, Manitoba Film Loan Guarantee and Entrepreneurial Development and Training. Business information, counselling services, entrepreneurial training, business and trade library services are also delivered through the Western Regional Office in Brandon.

Canada/Manitoba Business Service Centre - Effective April 1, 1998, the Small Business Development Branch integrated services and co-located its programs with the Canada Business Service Centre into a single, highly visible, efficient operation to support Manitoba business development and entrepreneurship. The new business service centre which is known as the Canada/Manitoba Business Service Centre (C/MBSC) represents a single point of contact for current and accurate business information, extensive business and trade library services, market research and improving management effectiveness through business counselling and entrepreneurial training programs. The C/MBSC also offers a full service website offering business development information, 10,000 links and an Interactive Business Planner.

In 2004/05, the C/MBSC responded to approximately 40,000 walk-in/phone business and trade-related inquiries. In addition, the business counsellors of the Small Business Development Branch incurred approximately 5,400 client interactions during the year. The C/MBSC website registered 223,000 visitors and received 2.3 million requests for information from the C/MBSC website.

In 2004/05, the C/MBSC delivered 170 business and trade related seminars and workshops to approximately 2,400 participants in Winnipeg and throughout all regions of Manitoba.

C/MBSC Regional offices - Through the Partnership Agreement with Western Economic Diversification, there exists 32 regional C/MBSC offices throughout Manitoba which will make business information and resources more accessible to all entrepreneurs throughout all regions of Manitoba.

e-Future Centre - The e-Future Centre which is located within the C/MBSC, provides the information that small and medium sized enterprises need to enable them to be aware and adopt e-commerce and e-business technologies within their businesses.
In 2004/05, the e-Future Centre responded to over 1,400 e-business related enquiries and delivered and/or facilitated in excess of 20 e-business related seminars and workshops to approximately 300 participants, including several in rural Manitoba.

Entrepreneurial Development and Training Seminars were provided in partnership with other agencies to more than 2,000 participants. These seminars included marketing, management development, How To Start A Small Business workshops, youth entrepreneurship workshops as well as a variety of other business and technology related topics. A senior student workshop was also held in 2004/05 and approximately 100 students from high schools in and around Winnipeg participated. The Manitoba Marketing Network delivered ten workshops to 133 participants and counselled 43 small businesses. Workshops were held in Winnipeg, Brandon, Balmoral and Lac du Bonnet.

The Aboriginal Business Development Program promotes entrepreneurship training, business information, workshops and business counselling to Aboriginal entrepreneurs and community based organizations in the interest of developing small business and entrepreneurship. Ota-Miska, a resource directory outlining services available to Aboriginal people in Manitoba, was updated and was published and circulated to all agencies and organizations working with Aboriginal people. There are eleven C/MBSC regional offices which focus on Aboriginal Business Development, with over 50% of the clients being Aboriginal.

Under the ***Business Start Program***, 32 loan guarantees totalling $ 309,500 were approved in 2004/05. During the year, 780 participants attended the 29, three-day Business Start Workshops conducted throughout Manitoba under the Business Start Program which includes 8 workshops conducted in the rural and northern areas. The three-day Business Start workshops were also delivered in French, at Red River College for students of aboriginal studies and in delivered to entrepreneurs with disabilities in partnership with the Independent Living Resource Centre.

Under the ***Manitoba Film Loan Guarantee***, one loan guarantee in the amount of $80,000 was approved in 2004/05.

Publications developed by the Branch and the C/MBSC continue to be a valuable resource to the business community and support the Branch's training programs. The Branch, the C/MBSC and the e-Future Centre produce over 60 publications on a variety of subjects including business information, business planning, small business management systems, e-business and e-commerce, entrepreneurial handbooks and self-evaluation guides. Publications are distributed through the Branch, the Canada/Manitoba Business Service Centre and its regional offices, the e-Future Centre, Western Regional Office in Brandon, and 39 business development outlets throughout Manitoba.

Small Business Counselling Services registered approximately 5,400 client interactions in 2004/05. Business Counsellors provided one-on-one business counselling to entrepreneurs and businesses in a number of sectors including retail, service and manufacturing. The Business Counsellors also conducted four workshops pertaining to starting a small business and marketing.

Western Regional Office – provides general business counselling services, management development training programs, business planning workshops and various resource materials and general business information to Brandon and the surrounding communities. In 2004/05, the Western Regional office responded to approximately 7,100 business and trade related enquiries. A senior student workshop was also held in 2004/05 and approximately 90 students from high schools in and around Brandon participated.

Other Activities - Branch staff partnered with other departments and agencies in the successful delivery of Small Business Week, Rural Forum 2004, the Young Entrepreneurs Program and the delivery of French-language services at the Bilingual Government Service Centres located in St. Boniface, St. Pierre and Notre Dame de Lourdes. The Branch supported and participated in a number of other projects including Manitoba Women Entrepreneur of the Year Awards, Manitoba Home Business Advisory Council, Manitoba Aboriginal Youth Achievement Awards, a variety of projects and initiatives pertaining to Entrepreneurs with Disabilities, Junior Achievement Northern and Urban Aboriginal Youth, Senior Student Business Workshops, the cultural industries and various Aboriginal economic development projects, conferences and trade shows.

10-2(c) Small Business Development

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	1,044.6	16.50	1,017.1	27.5	
Total Other Expenditures	531.2		593.0	(61.8)	1
Total Grants/Transfer Payments	30.0		30.0	-	
Total Expenditures	**1,605.8**	**16.50**	**1,640.1**	**(34.3)**	

1. Variance due to expenditure management.

BUSINESS IMMIGRATION AND INVESTMENT

OBJECTIVES

Business Immigration and Investment's objective is to attract business investment and business people to Manitoba through general promotion, business or company recruitment and entrepreneur recruitment.

ACTIVITIES/RESULTS

The Branch encompasses three major areas of activity: general promotion, business or company recruitment, and entrepreneur recruitment (through the Provincial Nominee Program for Business – PNP-B). These activities are designed to attract businesses and business people to Manitoba through Greenfield Investments, joint ventures, strategic alliances, plant expansions and business succession.

In support of the objectives, the Branch conducts the following activities:

- Administers the Manitoba Provincial Nominee Program for Business (PNP-B) which allows the Government of Manitoba to recruit and assess immigrants who are best suited to contribute to the province's economy and who intend to live and do business in Manitoba.
- Conducts a series of seminars in various regions of the world to promote Manitoba's business and lifestyle advantages to potential economic class immigrants.
- Participates in the Federal Immigrant Investor Program.
- Exercises Manitoba's right to establish its own selection criteria, set its targets through an annual levels planning process with Citizenship and Immigration Canada based on the Canada-Manitoba Immigration Agreement, signed in 1996 and renewed in 2003.

In 2004/05, the Branch

1. Recruited and assessed 165 Business Immigrants last year. 122 applicants were approved.
2. Our program attended 14 seminars and workshops promoting our Business Immigration Program. A total of 8 Missions were held in Korea, China, United Arab Emirates and England to bring awareness of our program. On these trips up to three members of program travelled to these countries to hold seminars about the PNP-B program. We attended 6 Canadian Training sessions and workshops throughout Eastern Canada, including one workshop held in Chicago, Illinois.
3. By April 2005 we had a total of 72 applicants who applied to our program from the Middle East. We continue to have a growth of applicants applying from Europe, especially within Great Britain.
    - Increased promotional activities in Asia, Latin America, the Middle East and Europe resulting in increased awareness of and participation in Manitoba's PNP-B Program.
    - Increased investment in value added businesses in Manitoba.
    - Increased injection of foreign capital into Manitoba's economy creating more business partnerships with Manitoba industries.
    - Increased job creation possibilities.
    - Creating global unions with our neighbouring countries.

10-2(d) Business Immigration and Investment

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	174.2	4.00	162.9	11.3	
Total Other Expenditures	165.9		196.7	(30.8)	
Total Expenditures	**340.1**	**6.00**	**359.6**	**(19.5)**	

MINERAL RESOURCES

MANITOBA GEOLOGICAL SURVEY

OBJECTIVES

The primary roles of the **Manitoba Geological Survey** (MGS) are to provide geoscience information to support and facilitate mineral exploration in the province, and to conduct a broad range of geoscience activities that address land-use and environmental issues facing Manitobans.

Program objectives are:

1. To increase the geoscientific knowledge base of the Province, primarily by conducting field studies and systematic bedrock and surficial mapping
2. To increase the effectiveness of mineral exploration activities in both established mining areas and in frontier areas through relevant geoscientific projects
3. To promote effective land use and resource management
4. To evaluate environmental impacts and geohazards
5. To develop products that respond to clients' increasing needs for digital information
6. To maximize the range and impact of geoscience investigations through collaboration with industry, Federal, university and other provincial agencies
7. To provide minerals industry information to communities, aboriginal people, and the public at large, through outreach activities

The **Minerals Policy and Business Development** section of MGS is responsible for monitoring industry and commodity information used in formulating Manitoba's minerals policies, promoting mining and exploration investment opportunities, administration of Manitoba's mineral exploration incentive programs and organizing and staging of the annual Mining and Minerals Convention. The section also helps facilitate the provision of community adjustment services to communities facing mine closure. To achieve these goals, the Minerals Policy and Business Development section works closely with the Manitoba Geological Survey and the Mines Branch of Industry, Economic Development and Mines, as well as all affected government departments.

ACTIVITIES/RESULTS

GEOSCIENCE PROGRAM

The MGS conducts a wide range of investigations in Manitoba's Precambrian Shield, Western Canada Sedimentary Basin, and Hudson Bay Basin. Investigations include examination of exposed bedrock, subsurface materials, and surficial sediments including sand, gravel and organic deposits. Major field-based activities conducted by the MGS include bedrock mapping at regional to detailed scales, as well as more specialized, thematic projects.

Geoscience activities of the Manitoba Geological Survey in 2004 provided support to traditional mining camps, stimulated new exploration and development opportunities in frontier areas, and supported land-use, geohazard and development priorities in southern Manitoba. The program is reviewed annually by the Mineral Exploration Liaison Committee (MELC), composed of members of the Mining Association of Manitoba, the Manitoba Prospectors and Developers Association and the Manitoba-Saskatchewan Prospectors and Developers Association, as well as representatives from the universities of Manitoba and Brandon, and the Geological Survey of Canada (GSC).

Activities and results for 2004-05 are listed below as they pertain to overall Program objectives.

1. Increasing Manitoba's geoscience knowledge base

Detailed map coverage of the northern Flin Flon Belt was completed by MGS between the Manitoba provincial boundary in the west and the plutonic rock terrane of the Naosap Lake area in the east. This work identified several significant geological features and a number of areas prospective for volcanogenic massive sulphide and gold mineralization.

The Trans-Hudson Orogen–Superior Margin Metallotect Targeted Geoscience Initiative (see #6, below) project aims to provide new insight into the tectonic significance and metallogenic potential of this major feature of the Canadian Shield. The Thompson Nickel Belt (TNB) is one of the most richly mineralized segments of the metallotect, and MGS work continues to focus on defining the nature and extent of the nickel-hosting Ospwagan Group metasedimentary succession. This work is helping to extend the known limits of the TNB through areas of poor exposure northeast of Thompson, and to expand the geographic area prospective for nickel deposits.

1) Reconnaissance mapping by MGS of the Pearson-Rock-Orr lakes area and preliminary compilation of neodymium isotope data indicate that the basement Archean gneiss typical of the TNB, plus narrow belts of Ospwagan Group supracrustal rocks, extend northeast of the main part of the TNB to Pearson Lake. Although the structure involves complex interleaving with the generally barren Paleoproterozoic Burntwood Group paragneiss, the area is promising for further nickel exploration.
2) A sequence of the Bah Lake mafic-ultramafic volcanic and subvolcanic intrusive rocks is exposed on the northwest shore of Upper Ospwagan Lake. Sampling was carried out by MGS to test the possibility of a comagmatic relationship between mafic–ultramafic flows of the Bah Lake assemblage and the ultramafic bodies associated with nickel deposits.
3) Preliminary observations from Opegano Lake by GSC researchers suggest possible equivalents of the TNB located 15 km west of Thompson. Additional inliers of the Ospwagan Group could be present within areas that, in the past, have been assumed to be underlain by Burntwood Group migmatitic paragneiss.

Mapping in the northern portion of the Superior Boundary Zone is being conducted by MGS and researchers from the universities of Alberta and Waterloo, to better constrain our understanding of a number of deposit types in the region (including nickel in extensions of the TNB, shear-hosted gold at Assean Lake, and diamonds):

1) Work by MGS at Gull Rapids, on the northwestern margin of the Superior Province, was initiated in 2003 to address the need for a detailed geological record of the site, which is the location of a potential future hydroelectric-generation structure. Structural and lithological mapping are providing detailed bedrock maps important to Manitoba Hydro for engineering purposes. Results from 2003 included the production of detailed 1:500-scale maps and the acquisition of geochemical and geochronological data.
2) Researchers from the University of Alberta mapped in the Split Lake Block, a shear zone–bounded lozenge of Archean and Paleoproterozoic rocks that lies along the northwestern margin of the Superior Province, and identified Archean and Proterozoic mafic and ultramafic rocks with significant potential for titanium, platinum group element, and nickel deposits.
3) Researchers from the University of Waterloo continued to document the transition of structures from the Central Split Lake Block into the Aiken River deformation zone, which may have potential for gold mineralization. The tectonic configuration of the area along the Superior craton margin, where thick Archean lithosphere is bounded by major sutures against the Paleoproterozoic Trans-Hudson Orogen, is also favourable for kimberlite emplacement.

The Nejanilini granulite domain in Manitoba's far north is relatively unknown and unexplored in terms of its geological nature, evolution and mineral potential. Previous mapping and petrographic studies suggest that the dominantly felsic intrusive rocks of the Nejanilini Domain form part of the southeastern Hearne craton margin. This model was reevaluated by integrating samarium-neodymium isotope data from archival samples.

In 2004, the focus of the MGS southeastern Manitoba gold metallogeny project shifted to the economically important central portion of the Rice Lake belt. A new three-fold subdivision, proposed for the Bidou assemblage north and east of Rice Lake, includes three distinct lithostratigraphic associations that have implications for regional structure and base-metal exploration.

In southern Manitoba, the Williston Basin TGI project is undertaking a new, multidisciplinary, coordinated geoscientific study aimed at characterizing and understanding basin architecture and hydrocarbon potential. This project is in the last year of a two-year study, which will involve new work that builds on established scientific leadership, cooperation and expertise amongst federal and provincial government agencies and universities. Products will include a seamless 3-D geological model of Paleozoic and Mesozoic rocks, from basement to outcrop, in Manitoba and Saskatchewan, in a geographic area

extending from the northern and eastern outcrop edge to the international border, and west to latitude 106°W. This regional synthesis will improve the geological framework of the Williston Basin and will be invaluable in subsequent hydrocarbon exploration.

2. Increasing the effectiveness of mineral exploration activities

The shoulders of the South pit of the Thompson mine were mapped by MGS in 2004, resulting in a refining of the subdivision of the Ospwagan Group Manasan and Thompson formations. The structural style recognized in the South pit may have regional application in locating ore potential around ultramafic bodies, and an improved understanding of the Ospwagan Group stratigraphy is crucial for its recognition in greenfields areas such as northeast of Thompson.

Researchers from Laurentian University embarked on another year of detailed mapping following up on an earlier TGI project. This work is contributing significantly to a more complete understanding of the stratigraphic, structural and alteration setting of these major copper-zinc deposits, and has provided important new avenues for follow-up exploration.

Regional structural studies in the Lynn Lake Belt have been conducted by MGS since 1999, in order to understand the setting and genesis of lode gold deposits in the region. Work in 2004 has further delineated major shear zones and has clarified understanding of the distribution of shear-hosted gold mineralization in the Lynn Lake belt. The location of some shear zones within the portion of the Lynn Lake belt with the most favourable metamorphic grade for gold mineralization and a large number of electromagnetic conductors represents an inviting gold-exploration target.

The MGS is continuing with data compilation and interpretation to maximize the quantity, quality and digital distribution of public-sector information bearing on kimberlite potential in Manitoba. These initiatives include:

1) Kimberlite Indicator Mineral (KIM) Database (version 3.0): The Manitoba KIM Database was created in order to bring all existing published data together in one coherent package. Over 30 publications containing more than 5000 samples are included, with much of the data now available on the Survey's Internet GIS map gallery. The KIM database has been upgraded and updated to include several new features and datasets, and a new and consistent mantle garnet classification.
2) Till and Phanerozoic stratigraphy in the Hudson Bay Lowland
3) An 'integrated anomaly map', created from the compilation of diverse datasets in a GIS, to produce a presentation identifying structural and petrological anomalies that may have some bearing on kimberlite exploration.

Work on occurrences of platinum group metals was undertaken by MGS in the Mayville igneous complex (southeast Manitoba), Chisel Lake intrusion (Flin Flon Belt), and Radar Lake Ni-Cu-PGM prospect (Flin Flon Belt).

For over 30 years, Mississippi Valley–type (MVT) lead-zinc mineralization has been sought in Manitoba. The first clear evidence of MVT mineralization in the north basin of Lake Winnipegosis has now been documented in a joint study conducted by a local explorer and the MGS. Drilling near the northeast end of Pemmican Island in 2004 intersected Zn-sulphide-bearing dolomite. The mineralization is situated within dolomite of the Cedar Lake Formation (Silurian Interlake Group), and located within or adjacent to major structural elements in the Western Canada Sedimentary Basin.

A range of geological and tectonic features and varied styles of mineralization and alteration have been identified by researchers from Brandon University and the GSC in the Lynn Lake–Leaf Rapids region. A variety of igneous and/or hydrothermal styles of mineralization and alteration are documented along a geotectonic belt southeast of, and parallel to, the gold-mineralized Johnson Shear Zone.

Investigation of spruce bark and soil geochemistry at the Poundmaker gold deposit in the Rice Lake Belt illustrates the application of metal and rare earth element (REE) studies of spruce bark in the exploration for vein gold deposits in the Bissett area. The data show that considerable gold appears to have been lost during the ashing process. The nondestructive INAA method may provide more reliable analytical data for gold exploration.

Spruce bark analyses in the vicinity of a 'barren sulphide' zone in the Shelia-Margaret lakes area near Lynn Lake are anomalous in a number of elements, including total REE; the bark appears to be a viable exploration medium in areas of shallow overburden.

Enzyme Leach[SM] and Terrasol[SM] (partial leach) studies of soils at the MacLellan (Agassiz) gold-silver deposit at Lynn Lake show that both methods are effective in detecting buried mineralization at the MacLellan mine. The REE data will be of assistance in discriminating 'false' anomalies derived from metals in transported overburden from anomalies derived from oxidation of a buried mineralized body in the bedrock.

Enzyme Leach[SM] data for peat and clay beneath a bog and under Reed Lake in the Flin Flon Belt show that exhalite related to base-metal hydrothermal systems provides different responses in the two media. The application of this type of study in areas where there are bog- and lake-covered geophysical conductors is a cost-effective method of evaluating conductors prior to undertaking a drill program.

3. Promoting effective land use and resource management

The Limestone Bay Component of the proposed Manitoba Lowlands national park lies adjacent to the highly prospective Thompson Nickel Belt in the Grand Rapids area. Field investigations confirmed the presence of near-surface dolomitic bedrock and resulted in more than 200 karst and related features being found. The study has highlighted the hitherto absence of systematic speleological research in this unique karst area.

Aggregate studies were conducted in the Rural Municipality of Grahamdale in the Interlake area. Data collected this summer in Grahamdale will be submitted to the Western Interlake Planning District, with appropriate recommendations for zoning of the resources.

MGS provides technical material for the Protected Areas Initiative (Mining Sector Consultation), including mineral potential analyses, aggregate and industrial mineral potential analyses, and GIS mapping support.

4. Evaluation of environmental impacts and geohazards

A dendrohydrological survey in the Winnipeg River basin aims to study the frequency, severity and causes of extreme droughts and low flows within the basin. Fieldwork in the summer of 2004 established a new network of moisture-sensitive tree-ring sites within the Winnipeg River basin. These data will be used to develop estimates of streamflow prior to the establishment of instrumental flow measurements, thereby improving the understanding of severe drought in the basin — information critical to the management of hydroelectric facilities in Manitoba.

Since 2000, a project at the University of Manitoba has been underway at the Central Manitoba (gold) mine site in southeastern Manitoba to determine the potential for revegetation, phytoremediation and phytomining of gold mine tailings.

5. Development of products that respond to clients' increasing needs for digital information

In 2003–2004, 29 geoscientific reports and/or maps were published. Digitizing of out-of-print MGS publications was initiated to ensure long-term archival and reproduction capabilities and to improve client service by providing free downloads of the reports and maps from the website.

Geological compilation projects underway in MGS include the 1:250 000 Bedrock Geology Compilation Map Series and Surficial Geology Compilation Map Series. Seventeen maps in the Surficial Geology Compilation Map Series were released this year and a new Internet Map Server project, focused on Quaternary geology, was added to the website. The Bedrock Geology Compilation Map Series program focused on provincial-scale compilation, concentrated on edge matching of existing sheets and derivation of a unified legend for the entire province. This base will be used as the background map for all Internet Map Server presentations and will be simplified for a new version of the 1:1 000 000 Geology of Manitoba.

Three-dimensional geological mapping of the Phanerozoic succession in southern Manitoba, south of latitude 55°N and west of longitude 95°W, is being completed as a successor activity to the Prairie component of the National Geoscience Mapping Program (NATMAP). The Lake Winnipeg basin has been completed and, in combination with the already completed southern Prairie NATMAP area of southeastern Manitoba, has enhanced the understanding of the eastern edge of Phanerozoic rocks. Surficial and 3-D

geological mapping are required for effective land-use planning, and hydrocarbon, groundwater and industrial-mineral development.

Mineral Resources Library projects included 1) a new bibliographic database for the Williston Basin TGI, 2) support for the CGKN metadata initiative, and 3) secure credit card transaction capabilities for online purchasing of MGS publications.

6. Collaboration with industry, Federal, university and other provincial agencies

Partnerships and collaborative projects continue to expand the ability of MGS to provide multifaceted, effective geoscience programming in Manitoba. Such partnerships make the best use of combined funds and expertise, and result in programs that expand the traditional geological survey mapping programs. At this time, MGS is involved in 26 individual partnered programs, involving the federal government, other provincial governments, the mineral industry and several universities. These projects generated approximately $1.55 million toward geoscience funding in the province for 2004–2005 and mentor the next generation of geoscientists, including two Post-doctoral Fellows, five Ph.D. students, six M.Sc. students and one B.Sc. student, from five Canadian and two American universities. University researchers are typically supported logistically by the MGS and bring additional funding from NSERC grants.

The Federal government's Targeted Geoscience Initiative (TGI) entered its second and final year (ending March 2005). In Manitoba, three TGI projects involved collaboration between MGS and the GSC:

1) Trans-Hudson–Superior Margin Metallotect (with Saskatchewan, Ontario and Quebec). Project components in Manitoba include multi-agency bedrock mapping, geochronology, tracer isotope work and structural geology. A jointly funded aeromagnetic survey of eleven 1:50 000 NTS sheets was completed in 2004 and the maps were released in November 2004.
2) Williston Basin Architecture and Hydrocarbon Potential (with Saskatchewan). Project components include geoscience knowledge inventory, regional subsurface mapping, geophysical investigations, regional hydrogeology, remotely sensed imagery, hydrocarbon assessment and a 3-D geological model.
3) Western Churchill Metallogeny Project. This project aims to compile and synthesize geoscience knowledge spanning northern Alberta, Saskatchewan and Manitoba, and most of mainland Nunavut. Manitoba is contributing to this project through geological compilation of northern 1:250 000 NTS sheets and isotopic analysis of archive samples.

7. Providing minerals industry information through outreach activities

Major outreach activities included mineral education initiatives such as the Manitoba Mining and Minerals Convention Schools Program, Provincial Mining Week, and National Engineering and Geoscience Week. Hands-on interactive activities complemented the earth sciences curriculum and helped increase public awareness of Manitoba's mineral resources and mining industry. The free activities drew more than 2700 visitors from the public and the school tours program.

A prospector training program, successfully delivered at Sagkeeng First Nation in June 2003, provided the foundation for new community-based prospector training to be developed for the north. The new Prospector Training program is a joint initiative between Manitoba Industry, Economic Development and Mines, the University College of the North (UCN), Assembly of Manitoba Chiefs, Mining Association of Manitoba, and Indian and Northern Affairs Canada. The program focuses specifically on mineral exploration and prospecting but is modularized to develop basic field skills that are transferable across sectors. The courses, offered through UCN, will be delivered in the communities and are expected to start in the spring of 2005.

Regional Offices

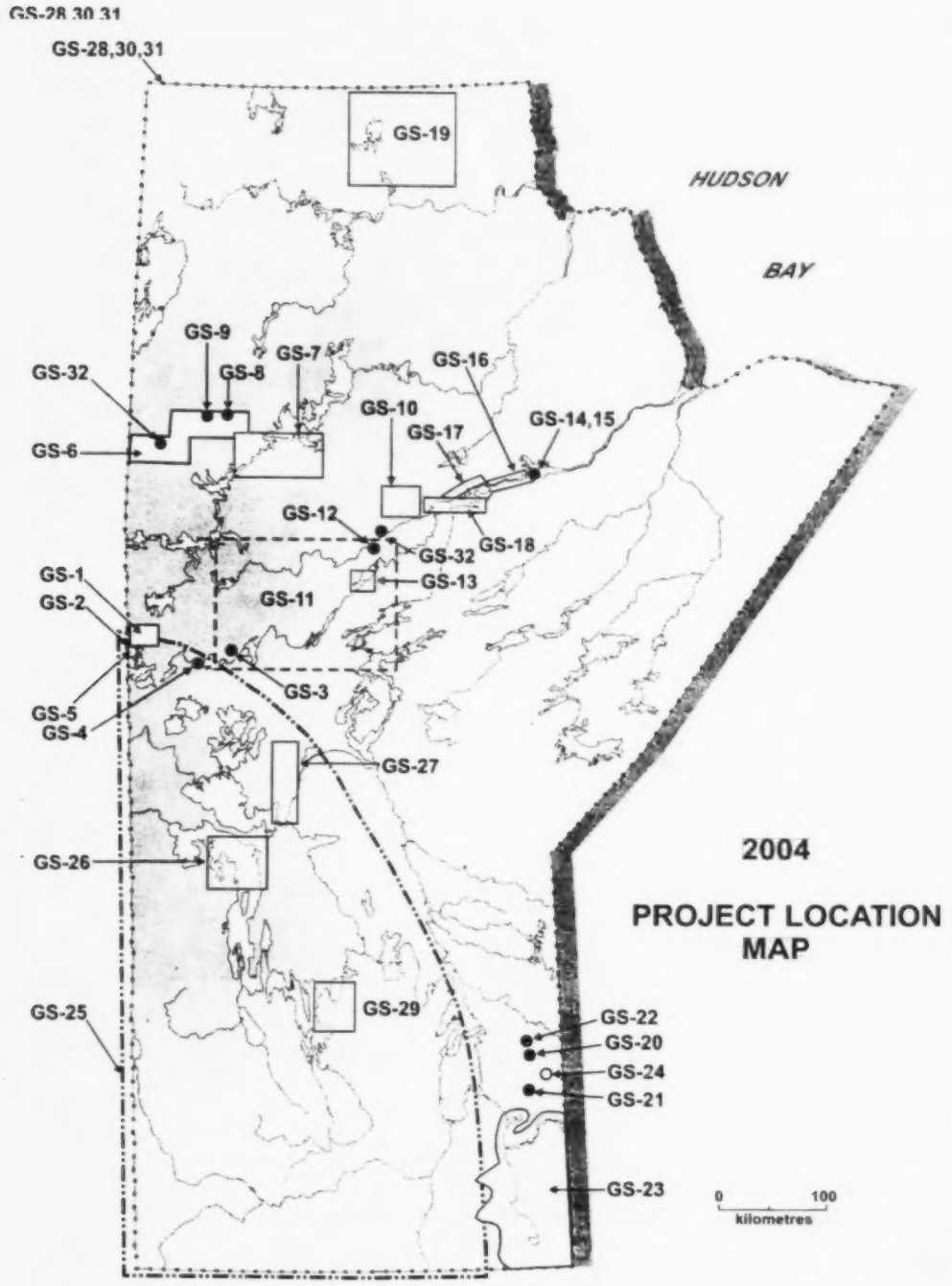
The Flin Flon office provides regulatory and technical assistance to the mineral-exploration and mining communities in the Flin Flon–Snow Lake region. The presence of a regional office in the centre of Manitoba's base-metal mining region allows local contact with the stakeholders in the region, provides a convenient place to submit applications and work required under the Mines Act, and allows staff to provide technical advice, both in the office and through field visits. The maintenance of a reference library of Industry, Economic Development and Mines publications, as well as technical papers from other sources, provides a resource for continuing mineral exploration work in the region.

The Thompson Office has been designated as a remote office for the Mines Branch. Applications for

mineral dispositions will no longer be accepted in this office but can be faxed to either the Winnipeg or Flin Flon offices, where full service is available.

Manitoba's Mineral Resources Division has been storing Precambrian drillcore, obtained primarily from exploration drilling, since the early 1970s. Since that time, the Manitoba government has created a substantial repository of drillcore at five locations throughout the province. Since 2001, work has been conducted to organize drillcore additions from recent years, update core library inventories, and conduct some core retrieval projects. In 2004, inventory organization and updating work was carried out at the Thompson, Lynn Lake and The Pas core libraries.

Manitoba Geological Survey 2004 Project Location



Map Legend — Location of Projects 2004/2005

1 Geological investigations in the northern Flin Flon Belt

2 Physical description of the 1920 member, Hidden formation, Flin Flon

3 Geological investigations of the platinum group element potential of the Chisel Lake mafic-ultramafic intrusion and other targets in the Flin Flon Belt

4 Evaluation of an electromagnetic conductor at Reed Lake, Manitoba, using Enzyme Leach^{SM} analyses of peat bog and lake sediment

5 Activities of the Manitoba Geological Survey's Flin Flon regional office

6 Structural analysis of the Lynn Lake greenstone belt

7 Eden deformation corridor and polymetallic mineral belt, Trans-Hudson Orogen, Leaf Rapids area

8 Enzyme LeachSM and Terrasol Leach^{SM} studies of soils at the MacLellan Au-Ag deposit, Lynn Lake

9 Rock and spruce-bark analyses in the vicinity of a zone of 'barren sulphide': implications for exploration of the Sheila-Margaret lakes area, Lynn Lake

10 Northern extension of the Thompson Nickel Belt

11 Pikwitonei–Snow Lake transect, Trans-Hudson Orogen–Superior Margin Metallotect Project: initial geological, isotopic and SHRIMP U-Pb results

12 Thompson Nickel Belt Project,

13 Mafic-ultramafic magmatism of the Bah Lake assemblage, Ospwagan Group, Upper Ospwagan Lake

14 Preliminary geochemical and isotopic results from the Gull Rapids area of the eastern Split Lake Block, northwestern Superior Province

15 New insights into the structural geology and timing of deformation at the Superior craton margin, Gull Rapids

16 Archean and Paleoproterozoic geology of the northwestern Split Lake Block, Superior Province

17 Structural geology of Assean Lake

18 Structural geology of the Aiken River deformation zone, Manitoba

19 Preliminary Sm-Nd isotope results from granitoid samples from the Nejanilini granulite domain, north of Seal River

20 Preliminary results and economic significance of geological mapping and structural analysis in the Rice Lake area, central Rice Lake greenstone belt,

21 Platinum group element investigations in the area of the Mayville igneous complex: exploiting palladium's mobility using humus samples

22 Investigation of spruce bark and soil geochemistry at the Poundmaker Au deposit, Bissett

23 Initial collection of dendrohydrological records to study drought in the Winnipeg River basin

24 Phytoremediation and revegetation of mine tailings and bio-ore production: progress report on plant growth in amended tailings and metal accumulation in seedlings planted at Central Manitoba (Au) minesite

25 Targeted Geoscience Initiative II – Williston Basin architecture and hydrocarbon potential in southwestern Manitoba and southeastern Saskatchewan: an update

26 A possible new Mississippi Valley–type mineral occurrence near Pemmican Island in the north basin of Lake Winnipegosis

27 Study of the surface karst and related features in the Limestone Bay Component of the proposed Manitoba Lowlands national park

28 Quaternary mapping progress in southern Manitoba Phanerozoic terrane: 2-D and 3-D

29 Aggregate resources in the Rural Municipality of Grahamdale

30 Kimberlite potential in Manitoba: an update

31 The Manitoba Kimberlite Indicator Mineral Database: an update

32 Manitoba's Precambrian Drillcore Libraries Program

MINERALS POLICY AND BUSINESS DEVELOPMENT

The Minerals Policy and Business Development section is responsible for monitoring industry and commodity information used in formulating Manitoba's minerals policies, promoting mining and exploration investment opportunities organizing and staging of the annual Mines and Minerals Convention and administering the Mineral Exploration Assistance Program (MEAP), Manitoba Prospectors Assistance Program (MPAP) and the Manitoba Mineral Exploration Tax Credit (MMETC). The section also helps facilitate the provision of community adjustment services to communities facing mine closure. To achieve these goals, the Minerals Policy and Business Development section works closely with the Manitoba Geological Survey and the Mines Branch of Industry, Economic Development and Mines and all affected government departments.

On a global scale, the mining industry has continued its momentum established in 2004 due to increased commodity prices coupled with the ability for junior explorers to raise exploration funds. Exploration levels in the province continue to increase and Manitoba continues to generate positive news. After gaining international recognition in the 1999 Fraser Institute survey of mining companies as 'one of the best places in the world to invest in exploration and mining', frontier exploration, particularly for gold, nickel and diamonds, has dramatically expanded. Natural Resources Canada reports that off-site mineral exploration expenditures have increased from under $20 million in 1999 to an estimated $37+ million in 2005. The search for diamonds continues to generate exploration activity in northeast Manitoba.

In addition, Hudson Bay Mining and Smelting and Inco continue major investments to ensure their operations remain in Manitoba until at least 2016.

The section continued to build relationships with exploration and mining companies by promoting the advantages of investing in Manitoba. The benefits of these relationships are not always realized immediately. Mineral exploration and mine development are long-term endeavours with inherent risks. Over the years, however, all Manitobans have benefited from a healthy minerals sector that has grown to be the second largest primary resource industry in Manitoba, with a value of nearly $1 billion annually.

The responsibilities of the Minerals Policy and Business Development section are implemented on a wide variety of fronts that include strategic business development including minerals policy, focussed client service, mining community development and administration of the minerals incentives programs.

Strategic Business Development - To effectively promote Manitoba's mineral investment advantages, it is important to understand industry trends and needs. Where possible, it is also necessary to contribute to the policies and initiatives that can impact mineral investment in a positive and sustainable way. Section representatives participated on various committees such the Manitoba Mining Tax Committee, Intergovernmental Working Group subcommittees on exploration tax credits, resource tax reform and aboriginal participation in mining, and the Protected Areas Mineral Liaison Committee.

Competition for the exploration dollar has become international in scope and if we are to maintain a healthy and sustainable mining industry in the province it is critical to elevate the profile of Manitoba's mineral endowment and positive business environment. Section personnel conducted focused marketing initiatives and attended major industry conferences to attract exploration dollars to the province. The impact of Manitoba's policy climate in attracting mineral investment was recognized again in the 2005 Fraser Institute survey of mining companies, in which the province placed first in Canada and third in the world amongst mining jurisdictions. Survey results represent the opinions of exploration managers in mining companies operating around the world.

In addition, the Department worked collaboratively with local prospectors groups and Manitoba's mining communities to promote mineral and business opportunities in and around those communities through a Team Manitoba approach.

Conventions and Trade Shows - Investment opportunities were promoted through trade show displays and direct marketing efforts at the following major mining and exploration events:

- Prospectors and Developers Association of Canada (PDAC) - Toronto (12,000 in attendance)
- Mineral Exploration Roundup - Vancouver (5.200 in attendance)
- San Francisco Gold Conference, San Francisco, California

Team Manitoba - a collaborative effort between Manitoba's mining communities, mineral property holders and staff from Industry, Economic Development and Mines, was also successful in promoting mineral investment. Working together, the Team, including mayors from Manitoba's mining communities, provided a unified front to potential investors at the Prospectors and Developers Association of Canada Conference and at the Manitoba Mining and Minerals Convention.

Client Service - Minerals Policy and Business Development, in co-operation with other Branches and government departments, provided advice and direction to help new mining and exploration companies adjust to operating in a new jurisdiction or existing companies embarking on new ventures. This client assistance was provided in both an interdepartmental team approach and through issue driven individual service.

Community Development - activities undertaken by the section include participating in and co-ordinating various initiatives related to mine closure, including facilitating community adjustment and community economic development. The purpose of these activities is to help ameliorate the effects of mine closure on, and contribute to, the long-term viability of mining communities.

The department, with Intergovernmental Affairs and Trade and Labour and Immigration took the lead in organizing an interdepartmental working group to deal with mine closure at Lynn Lake and Leaf Rapids. This core group grew into a government Steering Committee that is presently addressing both local and regional issues in the Lynn Lake – Leaf Rapids area and impacts of mine closure in Snow Lake. In addition to increased government geological programming in this region, the government is providing funding assistance from the Mining Community Reserve to help each community deal with the effects of mine closure and plan for future economic development.

Manitoba Mining and Minerals Convention - the annual Manitoba Mining and Minerals Convention hosted over 800 industry participants. The convention provided a venue for stakeholders to acquire the latest government geological information releases, interact with the exploration and mining services sector and discover new business opportunities. The convention theme, "Target Your Exploration" reflected the mining sector's vibrant presence in Manitoba as well as Manitoba's enormous untapped mineral potential, and the many opportunities that exist for further exploration in our geologically diverse province. In 2004, the convention hosted a total of 53 booths and 27 presentations. In addition, 40 mineral property booths and 36 geological posters were featured. The Manitoba Mining and Minerals Convention 2005 will be held November 17, 18 and 19 at the Winnipeg Convention Centre.

Exploration Incentives - The continuation of mineral incentive programs such as the Mineral Exploration Assistance Program (MEAP), Manitoba Prospectors Assistance Program (MPAP) and the Manitoba Mineral Exploration Tax Credit (MMETC) sends a positive message to industry that Manitoba is serious about attracting investment and supporting industry in times of heightened competition for the global exploration dollar. All programs were administered by the Minerals Policy and Business Development section.

MINERAL INDUSTRY SUPPORT PROGRAMS

The Mineral Industry Support Programs are delivered under Manitoba Geological Survey; however, the financial information is reported under Industry Development – Financial Services.

Mineral Exploration Assistance Program

The Mineral Exploration Assistance Program (MEAP) provides financial assistance to eligible companies or individuals who undertake mineral exploration in Manitoba. The program, established in the fall of 1995, was designed to increase exploration and stimulate activities that may lead to the development of new mines. Companies/individuals may qualify for 25% - 35% of eligible exploration expenditures up to a maximum of $400,000.00 per recipient, per fiscal year; depending on the area of exploration. A higher percentage of assistance is offered for projects undertaken in the Northern Superior region of the province, due to remoteness and limited infrastructure. In response to difficult times brought on by the downturn in the mineral industry, MEAP has extended the higher percentage of assistance on eligible expenditures to include the Lynn Lake/Leaf Rapids and Bissett areas. Two offerings are held per fiscal year.

Companies with approved projects under the April 2004 offering had until October 31, 2004 to complete their work, and approved projects under the November, 2004 offering had until March 31, 2005 to complete their work. Seventy-nine of the original 101 approved projects were completed.

Reviews, Audits and Inspections

To ensure accountability and integrity of the Program, the Department continued to conduct audits and site inspections following guidelines developed with the Provincial Internal Audit office. In 2004/2005 fiscal year, MEAP selected 10 completed projects from the 2003/2004 fiscal year, totalling $564,606.64 or 34% of assistance paid. Nine site inspections for projects representing $275,741.64 or 12.5% of the allocated assistance have been completed.

Program Highlights from October 1995 to March 31, 2005

- 123 companies have participated under MEAP representing 475 exploration projects.
- 89 of the 123 companies are considered new to Manitoba. Of the 123 active companies, 16 are major exploration companies and 107 are junior companies (note: a company is considered a major exploration company if its market capitalization is greater than $100 million).
- $18.7 million of assistance has been issued to 475 completed projects.
- $116.6 million in exploration expenses have been reported.
- Reported exploration expenditures under the Program indicate every $1 million in assistance paid generates $6.2 million in exploration expenditures.

Mineral Exploration Assistance Program 2004 Status

Offering	Applications Received	Approved Applications	Proposed Exploration $ in 000's	Assistance $ Allocated in 000's	Projects Completed	Actual Exploration $ in 000's	Assistance $ Paid
04-04-01	50	50	19,710.8	1,100.0	33	6,252.8	708.0
04-11-01	51	51	28,456.3	1,112.0	46	26,070.5	1,004.6
TOTAL	**101**	**101**	**48,167.1**	**2,212.0**	**79**	**32,323.3**	**1,712.6**

Note: Projects approved under the November 2004 offering have until June 17, 2005 to file final reports and make application for final payment

Results of Assistance by General Region of Exploration for 2004/2005

	Projects	Exploration $ in 000's	Assistance $ in 000's
Far North	4 (4.0%)	$708.1 (2.2%)	$51.3 (3.0%)
Northern Superior	20 (19.8%)	$7,462.2 (23.1%)	$364.6 (21.3%)
Hudson Bay Lowland	10 (9.9%)	$1,633.8 (5.1%)	$123.5 (7.2%)
SE Trans-Hudson Orogen	0 (0.0%)	0 (0.0%)	0 (0.0%)
Flin Flon/Snow Lake	15 (14.9%)	$5,742.7 (17.8%)	$196.3 (11.5%)
Lynn Lake/Leaf Rapids	8 (7.9%)	$890.1 (2.8%)	$127.2 (7.4%)
Southeastern Manitoba	27 (26.7%)	$ 6,509.3 (20.1%)	$485.1 (28.3%)
South Central Manitoba	1 (1.0%)	$183.3 (0.6%)	$8.9 (05%)
Thompson Nickel Belt - Superior Boundary Zone	16 (15.8%)	$9,193.8 (28.4%)	$355.5 (20.8%)
TOTAL	**101**	**$32,323.3**	**$1,712.6**

Manitoba Potash Project
As partners in the Manitoba Potash Corporation, Potamine Potash Mining of Canada Inc. and the Province of Manitoba hold the development rights to known reserves in the Russell-Binscarth area of southwest Manitoba. The Manitoba Potash Project has sufficient mineable reserves to sustain a world class potash mining and processing operation for over 25 years. Potamine is controlled by Entreprise Minière et Chimique (EMC) of France. The EMC Group is one of the world's leading potash trading companies with extensive experience in the production and marketing of potash.

During the fiscal year, the department continued its efforts to market Manitoba's 49% interest in the Manitoba Potash Project by seeking out potential investors.

Acid Rain Abatement Program - Flin Flon
This program provides financial assistance to Hudson Bay Mining and Smelting Co., Limited for the construction of environmental improvements to the metallurgical plant at Flin Flon. Modernization of the plant resulted in containment of sulphur dioxide emissions within prescribed limits.

The department continued to monitor the commitments by HBM&S and administered the ancillary loan agreement between Manitoba and Saskatchewan.

Manitoba Prospectors Assistance Program
The Manitoba Prospectors Assistance Program (MPAP) offers grants to prospectors conducting exploration on their own Manitoba mineral properties or open Crown land. The Program is targeted at increasing mineral exploration in Manitoba to help replenish declining ore reserves. The Program is funded at $125,000 per year and allows individual prospectors to qualify for up to 50% of their prospecting expenditures incurred up to $7,500 per prospector per year. The program also provides 80% of the cost of one return charter flight or $1,500.00 per year, whichever is less, for projects undertaken in more remote areas of the Province. Maximum assistance of $9,000.00 is available per applicant per year.

In 2004/05 the program received 18 applications for grants; 18 prospecting projects were approved under the Program with 12 completed as of March 31, 2005. The total amount of Program funds dispersed for 2004/05 was $49,548.95.

10-3(a) Manitoba Geological Survey

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	3,567.4	61.10	3,566.8	0.6	
Total Other Expenditures	1,497.4		1,682.0	(184.6)	1
Total Expenditures	**5,064.8**	**61.10**	**5,248.8**	**(184.0)**	

1. Variance due to expenditure management.

Note: Costs related to the Mineral Exploration Assistance Program (MEAP), Manitoba Prospectors Assistance Program (MPAP), Manitoba Potash Project and the Acid Rain Abatement Program are reflected under Industry Development – Financial Services.

MINES

OBJECTIVES

The Mines Branch administers legislation governing the disposition of mineral rights (permits, claims and leases), exploration, development, production of the province's non-fuel mineral resources and rehabilitation of mines and quarries. The branch comprises three sections; Mining Recording, Mining Engineering and Inspection, and Assessment.

ACTIVITIES/RESULTS

Other activities performed by Mines Branch staff included the continuing compilation of an inventory of the province's aggregate resources and administration of provincial land-use policies that deal with the conservation of aggregate resources. The Branch continued its representation on the Science and Technology Committee (sub-committee of IGWG) and the Federal/Provincial Technical Committee on Mineral Statistics. Branch staff participated in a number of technical seminars and conferences.

In 2004/05 the branch entered the 13th year of a substantial program for the rehabilitation of aggregate pits and quarries throughout the province. Under the orphan mine site program work was completed for items related to safety and environmental issues at Sherridon, Gods Lake Baker Patton and the Arsenopyrite Stockpile in Snow Lake.. The total expenditure for FY 2004/05 was $150.1K. In accordance with the Mine Closure Regulation, owners/operator of the province's operating and inactive mines submitted closure plans and proposals for review and comments. Two advanced exploration project proposals were reviewed and approved.

Mining Recording Section

Mining Recording offices are located in Winnipeg and Flin Flon.

Mining Recording Offices maintain up-to-date records of mineral dispositions and leases and all legal transactions that relate to mineral dispositions and leases as required by legislation. The general public can access the computer data base on mining claims and permits through terminals located in each of the offices.

The Mining Recording Section processes applications for mineral dispositions, leases, monitors and inspects the activities of disposition and lease holders for compliance with requirements of The Mines and Minerals Act and Regulations, and collects fees, rentals, royalties, rehabilitation levies, taxes and cash security deposits payable under the Regulations. The total revenue collected by the Section during the fiscal year 2004/2005 was $2,283,932 and the rehabilitation levy collected, including interest, on the removal of aggregate material was $1,598,867 for the same period.

During the calendar year 2004, 821 mining claims and 72 mineral exploration licenses were recorded covering a total of 1,613,525 hectares. Concurrently, 55 quarry mineral leases, 706 casual quarry permits and 785 registration certificates for private pits and quarries were also issued during the same period. Details of the types of mineral dispositions and leases issued and in good standing in 2004 are shown on the following page.

MINERAL DISPOSITIONS ISSUED EACH CALENDAR YEAR 2001 - 2004

	2001		2002		2003		2004	
	No.	Hectares	No.	Hectares	No.	Hectares	No.	Hectares
Mining								
Mining Claims	522	102,684	784	167,978	941	203,542	821	177,402
*Exploration Permits	45	1,586,161	21	438,210	--	--	--	--
*Special Exploration Permits	9	363,759	2	58,004	--	--	--	--
Mineral Exploration Licences	--	--	7	271,355	35	668,450	72	1,436,123
Mineral Leases							1	61
Quarrying								
Leases	69	899	27	830	38	1,110	55	2,072
Exploration Permits	2	1,093	2	79	-	-	-	-
Casual Quarry Permits	796	0	751	-	758	-	706	-
Peat								
Leases	-	-	-	-	1	264	5	287
Private Aggregate Registration Certificates	803	-	776	-	792		785	-

* Exploration permits were changed to Mineral Exploration Licenses with the Act Amendments proclaimed in November 2002.

MINERAL DISPOSITIONS IN GOOD STANDING AT CALENDAR YEAR END 2001-2004

	2001		2002		2003		2004	
	No.	Hectares	No.	Hectares	No.	Hectares	No.	Hectares
Mining								
Mining Claims	5,243	746,767	5,032	738,730	5,130	795,228	5,470	875,135
Order-In-Council Leases	3,653	120,562	3,653	120,562	3,653	120,562	3,653	120,562
Mineral Exploration Licenses/Special Permits	41	1,468,098	40	1,544,471	60	1,588,678	113	2,497,144
Special Permits	24	1,300,013	4	181,032	3	37,222	1	10,916
Mineral leases	268	31,705	263	36,424	262	30,637	257	25,765
Potash								
Leases	1	5,787	1	5,787	1	5,787	1	5,787
Quarrying								
Leases	821	38,658	822	38,855	845	39,082	830	38,145
Exploration Permits	3	1,199	5	1,212	5	709	2	79
Peat								
Leases	140	21,450	139	21,381	141	21,824	141	21,763
Exploration Permits	-	-	-	-		-	-	-
TOTAL	10,194	3,734,239	9,959	2,688,454	10,100	2,639,729	36,233	3,595,296

Mining Engineering and Inspection

The primary purpose of the Mining Engineering and Inspection Section is to facilitate and encourage sound exploration, mining and rehabilitation practices in the province consistent with the principles of sustainable development and in compliance with The Mines and Minerals Act. It also provides land management and advisory services in support of provincial legislative and regulatory land use and resource management initiatives. G.I.S. services are provided to industry to assist in the resolution of environmental and land use conflicts, dissemination of non-confidential assessment reports, land use and tenure information.

Staff monitor mining activity in Manitoba to ensure compliance with requirements under The Mines and Minerals Act including licenses, registrations, permits, leases, closure plan submissions, royalty/levy charges on production, and environmental operation standards. In 2004/05 inspection staff conducted field inspections to ensure mining compliance at quarry lease and casual quarry permit locations, private pit/quarry operations and site rehabilitation projects.

On July 18, 2000, Treasury Board approved-in-principle a four-year $1.0 million Broad allocation ($250,000.00 annually) from the Sustainable Development Innovations Fund to the former Department of Industry, Trade and Mines, Mines Branch, for an Orphan Mine Site Program to rehabilitate Crown owned orphan mine sites in Manitoba. The four-year work plan included rehabilitation at Sherridon, Gods Lake, Baker Paton, Snow Lake and East Lynn Lake tailings area.

Orphan Mines Site Rehabilitation Program
Mines Branch
Expenditures

Mine Site	Approved Budget	F/Y 00/01	F/Y 01/02	F/Y 02/03	F/Y 03/04	F/Y 04/05	TOTALS
Sherridon	100.0	43.6	31.1	16.1	2.8	0.0	93.6
Gods Lake.	250.0	18.2	201.2	3.2	36.4	0.0	259.0
Baker Patton	150.0	0.0	0.0	193.5	8.5	0.0	202.0
Snow Lake	.20.0	0.0	29.4	25.0	0.0	0.0	54.4
Lynn Lake	480.0	0.0	26.7	11.8	0.9	0.0	39.4
*Viridian Inc.					158.4	150.1	308.5
Emergency work:							
Gunnar Mine					14.0		
Central MB					26.5		
Ruttan Mine					2.5		43.0
TOTALS	**1,000.0**	**61.8**	**288.4**	**249.6**	**250.0**	**150.0**	**999.9**

Sherridon

Staff inspected the site with a demolition contractor and obtained a site specific demolition quote which is incorporated in the main rehab cost.

Lynn Lake

Viridian continued with their work at Lynn Lake which is to review alternatives for implementation of rehabilitation of the East Tailings Management Area (ETMA).

Baker Patton

All work at this site has been completed.

Snow Lake, Gods Lake

All work as originally scoped has been completed however, further work to mitigate the sites is required.

General
Mines Branch staff participated on various interdepartmental technical review committees. Staff took part in judging the Provincial Mine Rescue Competition in Flin Flon.

Several mine closure plans for operating metal mines, inactive mines and for industrial mineral quarries were reviewed by Mines Branch staff and the closure plans were approved by the Director of Mines.

Ruttan Mine's mine closure plan – Staff worked closely with HBMS environmental group to complete the rehabilitation work at Ruttan Mine. HBMS have spent approximately $12 million and have carried out the major rehabilitation measures including removal of buildings, capping of shafts and ventilation raises, removal of head frames, and construction of diversion channels, dykes and dams to divert uncontaminated water away from the open pit. On January 2005 the environmental liability has been transferred to the province. The Metal Mining Environmental Effects Monitoring Study has been completed and ongoing work required under the Metal Mining Effluent Regulation (MMER) is being done by the Mines Branch. Several site visits were conducted to monitor compliance.

A program was initiated by Mines Branch to inspect all the known approximately 250 inactive/abandoned mines to establish Manitoba's liability. Ongoing inspections of the inactive/abandoned sites will continue into 2005/06.

The platt sheet digitization map project consists of a series of maps used by the industrial minerals sector and Mines Branch staff to maintain mineral disposition records and land use information. This project consists of approximately 1,100 map sheets. All map sheets have been compiled and are used by the recording staff and industry. These new maps replace outdated sheets which required manual entries for updating land use constraints. The new digital product enables the use of current GIS technology to update land use information required by clients and staff to process various types of mineral dispositions.

The Mines and Minerals Act, proclaimed in 1992, introduced a program to address the rehabilitation of pits and aggregate quarries in the province. Aggregate producers pay an annual levy based on the tonnes that they've produced and this money is set aside in a fund to be used for pit and quarry rehabilitation. On the basis of aggregate production from private and Crown lands in fiscal year 2004/2005 approximately $1.6 million was contributed to this Quarry Rehabilitation Fund, with over 90 rehabilitation projects being completed at a cost of $1.5 million. The total number of projects completed since 1992 comprise approximately 6,231 hectares of land rehabilitated. All the work has been undertaken through private equipment rental agreements or tendered contracts with private operators, administered and monitored by branch inspection staff.

Sustainable Land Planning Services
Manitoba has enacted several resource management acts to manage land and resources as well as improve the economy and protect the environment. The mineral resource/land management program facilitates mineral resource and land stewardship in the various provincial and municipal land and resource use management planning processes. Program objectives for resource stewardship are to help facilitate the provincial interest in natural resources, manage land, and accommodate environmental management. Program goals are directed at facilitating responsible mining and resource development, protecting the environment, minimizing land and resource use conflicts and providing high quality land and resource management planning and advisory services to planning authorities, industry and other land management stakeholders.

Program goals also include providing secretarial support to the Surface Rights Board and assisting Manitoba in the transition to sustainability. The implementation of the program is as follows:

Crown Land Planning
The management, classifying and policy development for Crown land in Agro-Manitoba is the responsibility of the Crown Land Classification Committee. Major activities of the Crown land management process include developing and implementing Crown land plans, developing Crown land codes and policy and supervising land use on Crown lands through an integrated management process. Other significant land management activities include evaluating Crown land sale and use proposals, providing technical advice and information on resource management activities and facilitating land designation under various resource management acts. Land management provides planning services related to:

- Crown land sales

- Crown land exchanges
- Crown land planning and development
- allocation of use
- integration of use
- protection, conservation and sustainability of provincial natural resources.

Municipal Planning

The Planning Act governs land use planning and development in Manitoba. The legislation provides municipalities and planning districts with the authority to a Development Plan and Zoning By-law. Land management is actively involved in providing the legislatively based land planning processes and stakeholders with technical products, advice and technical positions on land planning matters. Support services include reviewing policy and development proposals and ensuring that the province's non-renewable mineral resources are not sterilized by development, preparing mineral resource management technical reports and products that help facilitate mineral resource management, and providing professional planning advisory assistance to the subdivision review and conditional use processes. Other significant planning services include policy reviews of plans and zoning by-laws, public consultation and supporting planning appeal Boards. Land Management is responsible for the interpretation and application of Provincial Land Use Policy #9, MR 184/94.

Land Use Assessment

Land Management provides technical support and advice to many provincial legislative land use review and assessment processes. Land use proposals are assessed to ensure that the province's mineral resources are not sterilized by development and to ensure that land use conflicts are identified and mitigated. Land use proposals that are assessed are subdivision applications, Crown land sales, zoning and policy memorandum as well as Crown surface encumbrances with the view of documenting land use, tenure and environmental conflicts. This activity directly supports interdepartmental and intergovernmental planning and resource management activities. A total of 1093 land use proposals were assessed for potential land use conflicts to ensure that the Province's mineral resources were not sterilized by surface development. A new policy and procedure and related process was created for Ministerial approval for mineral access rights.

Sustainability

The Sustainable Development Act was proclaimed on July 1, 1998. The Act creates a legal framework through which sustainable development will be implemented in the public sector and encouraged in private industry and society. An implementation process has been recently initiated and approved by Manitoba, and land management is currently providing technical support to many different provincial working groups and processes. Technical support is provided to COSDI, Codes of Practice, sustainability reporting, and financial management. Other important initiatives include sectoral strategies under the provincial land and water initiative. Land Management also provides technical support to the Sustainable Development Innovations Fund by reviewing technical reports and participating in the approving committee.

Protected Areas Initiative

Manitoba has initiated a program to protect representative landscapes and ecosystems from logging, mining and hydro development. Currently, 8.3% of Manitoba is legally protected from mining development with an additional 5.7% supported for protection by the mining sector. Mines Branch plays an important technical role in the process by legally withdrawing Crown mining rights from mineral exploration, development and extraction to protect critical habitat from mining activities. It also provides land tenure information and other support to the stakeholder approval process.

Treaty Land Entitlement

Progress was made towards meeting provincial obligations for Treaty Land Entitlement, Northern Flood Agreement and Grand Rapids Forebay Agreement in accordance with these legal agreement requirements. 116 land selections covering approximately 154,764 acres were assessed and approved. Land selections containing valid mineral dispositions in good standing were documented and technical support to the selection process was provided. Staff participated in resolving tenure conflicts associated with land selections and also provided procedural and policy advice.

Public Outreach

Land Management also provide educational and outreach services facilitating sustainability, mineral resource management to various land management boards, municipal councils, industry and the public. Public outreach services include presentations, workshops, and internet access to land management issues, policies, practices to ensure that there is an opportunity for public involvement and discussion regarding resource management issues. Activities include oral and poster presentations at conferences, workshops, public meetings and direct stakeholder consultations concerning mineral resource management. This activity helps facilitate informed decision making by land management boards, industry, and the public.

Assessment Section

The Section receives and evaluates reports of required work submitted under The Mines and Minerals Act to ensure compliance with legislation and acceptable industry standards. At first confidential, these reports are eventually transferred to the non-confidential assessment library open to the public. These reports are indexed, microfilmed and scanned. Clients can view reports in our office or on the website.

Copies can be obtained by printing them directly from the website or ordering them from the Assessment Library. These reports are available on paper, microfilm or compact disc.

The Section also provides advice to the Review Panel and Administrator of the Mineral Exploration Assistance Program on the merits and validity of the projects, acceptance of final reports and recommendations on payment or non-payment of grants.

The Section monitors mining exploration activities in the province and contributes to the preparation of reports on industry activity. It also acts as liaison between Natural Resources Canada and the mining industry for the gathering of statistics on exploration and production.

At the request of the Manitoba Securities Commission, the section reviews technical submissions on mining projects to ensure that they conform with the reporting standards set out in National Instrument 43-101 - Standards of Disclosure for Mineral Projects. One mining project was reviewed during the past year.

	2001	2002	2003	2004
Reports of work added to assessment library	131	107	76	124
Reports transferred to non-confidential status	107	215	185	107
PRIVATE SECTOR:				
Website Visits	1542	3082	6026	6621
Visits	166	188	252	173
Reports examined	613	809	1264	1048
Reports duplicated for clients	357	316	458	323
Microfiche duplicated for clients	0	0	0	0
CD'S duplicated for clients	3	22	5	3
DEPARTMENTAL STAFF:				
Reports examined	276	250	248	893
Reports duplicated for staff	4	16	10	33
Microfiche duplicated for Winnipeg and Northern Offices	3090	3830	2752	2711

10-3(b) Mines

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries and Employee Benefits	1,224.1	27.00	1,208.5	15.6	
Total Other Expenditures	404.3		423.1	(18.8)	
Total Expenditures	**1,628.4**	**27.00**	**1,631.6**	**(3.2)**	

PETROLEUM

OBJECTIVE

To provide for and encourage the safe and efficient development of Manitoba's oil and gas resources in accordance with the principles of sustainable development.

ACTIVITES/RESULTS

Manitoba's oil and gas sector, though small by national or international standards, is a significant component of the provincial economy particularly in the southwestern part of the Province.

In 2004, Manitoba produced 637 498 cubic metres of oil having a total value of over $195.7 million. This is equivalent to about 25 percent of the province's refined petroleum products needs. Since there are no refineries in Manitoba all of the Province's production is exported through the Enbridge pipeline system to refiners in Ontario and the US.

In 2004, the petroleum industry spent $116.8 million in Manitoba to explore for and develop Manitoba's oil and gas resources, to operate over 1,900 wells and transport crude oil and refined petroleum products within the province.

In January 2005, the Branch designated a new oilfield, Sinclair Field. The Sinclair Field is located 35 km southwest of Virden and currently covers over 7,000 hectares. There have been 78 wells drilled in and adjacent to the new field. Development of the Sinclair Field will result in significant benefits to landowners, oil and gas rights owners and governments.

It is estimated that the petroleum industry in Manitoba provides direct employment for approximately 300-350 Manitobans and indirect employment for at least that many people.

In 2004/05, royalties, production taxes and revenue from the administration of Crown owned oil and gas rights and fees added $7.94 million to the Provincial treasury. Significant revenues were also collected by the province through income taxes, retail sales tax, corporation capital tax, payroll tax and fuel taxes. In addition, the industry paid approximately $1.9 million in property taxes to the various municipalities where oil wells and facilities are located.

The Branch administers The Oil and Gas Act and related regulations governing the exploration, development, production, transportation and storage of crude oil and natural gas. The Branch is also responsible for The Oil and Gas Production Tax Act. Additionally, officers and inspectors of the Branch are designated as Workplace Safety and Health Officers under The Workplace Safety and Health Act with respect to oilfield operations. The inspectors also act as industry's first point of contact with regard to oil field related environmental issues.

Bill 21 – The Oil and Gas Amendment and Oil and Gas Production Tax Amendment Act received first reading in March 2005. The bill addresses a number of issues the have arisen since the Acts were introduced in the mid-1990's and includes provisions that enhance environmental protection, strengthen enforcement, streamline administration and encourage oil and gas exploration and development.

In 2004, companies took advantage of the following enhancements to the Manitoba Drilling Incentive Program which became effective January 1, 2004:

- For new vertical wells, a minimum of 500 cubic metres of holiday oil can now be produced before crown royalty or production tax is paid - 22 wells qualified
- An increase in the volume of holiday oil that can be assigned from a company's holiday oil volume account to a newly drilled well. The holiday oil volume earned by a new well can now be "topped up" to 3,000 cubic metres - 68 wells qualified

- A new incentive for drilling new horizontal legs from existing horizontal wells. New horizontal legs qualify for a holiday oil volume of 3,000 cubic metres - no wells qualified
- A daily production increase of two cubic metres (from one to three) for marginal wells to qualify for the casing repair incentive, effective January 1, 2005 - no wells qualified

The Branch completed the abandonment of wells seized from Oilex Exploration Corp. and transferred the well licences for three wells seized from Mead Petroleum & Farms Ltd. The Branch also continued rehabilitation of abandoned well and battery sites seized from Oilex and Fawn Petroleums Ltd. and an old battery site cleaned up in 2004. The total cost of $73,016 for the abandonment and rehabilitation work was paid out of the Abandonment Fund Reserve Account.

In 2004, oil companies reported 21 spills the lowest number of yearly spills on record. The total volume of oil and salt water spilled was 56% less than the 5-year average. More information on spills is presented in the Petroleum Industry 2004 Spill Statistics and Report available on the Petroleum website.

The Branch continued enhancement of its GIS web-enabled petroleum resources map. The map covers southwestern Manitoba including townships 1-22; ranges 19-29 W1 and shows provincial Crown oil and gas rights mineral ownership, Crown oil and gas dispositions, wells, oil and gas facilities, field boundaries and topography orthophotos. The map is available on the Petroleum website (www.gov.mb.ca/itm/petroleum).

The Branch participated in the following consultation and outreach activities during 2004/05:

1. The 12th International Williston Basin Horizontal Well and Petroleum Conference, May 2-4, 2004 in Minot, North Dakota. The Branch presented an update of Manitoba oil and gas exploration and development activity at this forum and met with industry clients.
2. Round Table Industry/Government Meetings were held in Calgary, Alberta on October 7, 2004 and in Virden, Manitoba on October 14, 2004. Meetings were held as a forum to discuss the Manitoba Drilling Incentive Program, proposals for amendments to The Oil and Gas Act and The Oil and Gas Production Tax Act and other industry issues.
3. Intergovernmental Petroleum Tenure Committee, October 5, 2004 in Lake Louise, Alberta. The Branch presented an update on the province's oil and gas land tenure system and participated in discussions at this annual meeting of provincial agencies responsible for Crown oil and gas rights administration.

Administration and Geology Section

Administration

Administration is responsible for collection of petroleum revenues and administration of Crown owned oil and gas rights. The section collects annual lease rentals, Crown oil royalties and freehold oil taxes, conducts sales of Crown oil and gas leases and exploration reservations and processes lease renewals and extensions. The section is responsible for administering provisions of the Crown Disposition Regulation, the Crown Royalty and Incentives Regulation, the Oil and Gas Lease Agents Regulation and portions of the Drilling and Production Regulation under The Oil and Gas Act. The section also administers The Oil and Gas Production Tax Act and Regulation.

Crown Oil and Gas Rights - Four Crown oil and gas lease sales were held in 2004/05. One-hundred and forty-four leases covering 23,393 hectares were sold for a total of revenue of $2,013,226. Revenue collected from Crown oil and gas lease sales was up substantially from the 2003/04 revenue of $220,235.

Since 1979, the province has collected over $33.8 million from the disposition of Crown oil and gas rights. As of December 31, 2004, 43,725 hectares of Crown oil and gas rights were under disposition. Crown leases accounted for 100% of this total. Compared to 2003, the total area under disposition decreased by 7%.

In 2004, the section processed 24 lease renewals, 48 lease surrenders, 81 transfers of dispositions and 16 oil and gas lease agent renewals and registrations. It also issued 104 new leases.

Data Collection - The section collects monthly oil production data and data on the disposal and injection of salt water for all active wells in the province. As of December 31, 2004, there were 1,901 non-abandoned

wells in Manitoba. Digital production and injection histories are available for all wells.

During 2004/05, the section collected $7.94 million from the petroleum industry. This revenue comprised $2.62 million in Crown oil royalties, $3.16 million in freehold oil taxes and $2.16 million from administration of Crown oil and gas rights, fees for well licences, battery operating permits, geophysical licences, and oil and gas lease agent registration and publication sales. The revenue collected was up from the $6.0 million collected in 2003/04.

Manitoba Drilling Incentive Program, (1992-2009) - The Manitoba Drilling Incentive Program provides licensees of wells drilled after January 1, 1992 and before January 1, 2009 a holiday oil volume of production that is exempt from Crown royalties or freehold production taxes; the holiday volume earned is a function of oil price and location of the new well with respect to other wells.

Holiday oil volumes of up to 20 000 cubic metres can be earned by a new well.

In the twelfth year of this program, 114 wells earned an average holiday oil volume of 2,890 cubic metres, bringing the total number of wells with a holiday oil volume in the program to 328, as of December 2004. In 2004, 71 wells completed production of their holiday oil volume.

Any horizontal well drilled prior to January 1, 2009 receives a holiday oil volume of 10,000 cubic metres. Eleven horizontal wells were drilled in 2004.

Effective November 11, 1995, a marginal well where a workover is completed prior to January 1, 2009 earns a 500 cubic metre holiday oil volume. A marginal well is defined as a well that, over the previous 12 months, has been shut-in or has an average production rate of less than 1 cubic metre per operating day. Major workovers include the re-entry of abandoned wells, deepening or recompletion of existing wells from one pool to another and the repair of the casing in a well. Five wells earned a holiday oil volume under the program in 2004.

The Manitoba Drilling Incentive Program provides for a portion of the oil produced from a new waterflood, or other enhanced oil recovery (EOR) project implemented after April 1, 1999, which is attributed to an increase in reserves, to qualify as third tier oil for royalty/tax purposes. A portion of production from nine approved EOR projects have qualified as third tier oil.

Newly drilled injection wells, or wells converted to injection within an approved EOR project, qualify for an "injection well incentive" and a one-year royalty/tax exemption. As of December 31, 2004, a total of 36 wells had qualified for an "injection well incentive" under the program. All of the wells have completed their injection incentive period.

The *Manitoba Petroleum Fiscal Regime* booklet which provides detailed information on the drilling incentive program, provincial Crown royalties and provincial freehold oil production taxes was updated in 2004 to reflect the changes to the incentive program. The booklet is available on the Petroleum website.

Performance Deposits and the Abandonment Fund Reserve Account – The section administers trust accounts for performance deposits and the Abandonment Fund Reserve Account. Applicants for licences or permits issued under The Oil and Gas Act are required to submit a performance deposit to ensure operations comply with the Act and regulations. These deposits are held in trust until required rehabilitation work has been completed. Approximately $ 1.2 million in cash, term deposits and letters of credit are administered.

The Abandonment Fund Reserve Account is established under The Oil and Gas Act. Non-refundable levies on geophysical and well licenses, transfer of well licenses, battery operating permits and inactive wells are deposited in the Account. The Account is used as a source of funds to operate or abandon a well or facility that is in non-compliance with the Act, where the licensee of the well or facility fails to do so. The Account can also be used to rehabilitate the site of an abandoned well or facility or to address any adverse effect on property caused by a well or facility. An expenditure from the Account on behalf of a licensee automatically creates a debt of the licensee to the Crown, recoverable in court.

An annual report of activities relating to the Account to March 31, 2005 is available from the Branch and is posted on the Petroleum website.

Abandonment Fund Reserve Account Activity

Opening Balance (April 1, 2004)		**102,022**
Deposits		**144,604**
Levies and Penalties	140,650	
Interest	1,238	
Recovery of Expenditures	2,716	
Expenditures and Refunds		**74,153**
Oilex Exploration Corp.	71,906	
SE1/4 Section 10-10-28 WPM	1,110	
Overpayment of Levies	1,137	
Closing Balance (March 31, 2005)		**172,473**

Geology

Geology prepares reports on Manitoba's petroleum geology and hydrocarbon potential to encourage and assist in the exploration and development of the province's oil and gas resources. A system for the designation of field and pool boundaries is maintained. As of January 1, 2005 Manitoba had 14 designated oil fields and 168 designated oil pools. Field and pool codes for 119 new wells were assigned during 2004/05.

In addition, Geology provides consultation and assistance to the public and the petroleum industry.

Accomplishments in 2004/05 include:

- Continued enhancement of geological formation tops data base as part of the Manitoba Oil and Gas Well Information System.
- Continuation of the Targeted Geoscience Initiative II: Williston Basin Architecture and Hydrocarbon Potential. This project is in partnership with the Geological Survey of Canada, Saskatchewan Industry and Resources, and the Manitoba Geological Survey and the Petroleum Branch. The objective of the 2-year project is to produce a geological model of Phanerozoic rocks over a significant portion of Saskatchewan and Manitoba to enhance our understanding of the hydrocarbon and mineral potential. This model will incorporate geophysical and hydrogeological data to enhance our understanding of hydrocarbon migration paths and traps, within and beyond, traditional geographic areas of hydrocarbon production through subsurface geological mapping, geophysical mapping, hydrogeological mapping and remotely sensed imagery analysis.
- Updated drill stem tests and oil and gas shows listings for the Mesozoic, Pierre Shale to Amaranth, Mississippian and Lower Paleozoic, Bakken to Precambrian were added to the Petroleum website.

Engineering and Inspection Section

Engineering

Under the authority of the Drilling and Production Regulation and the Geophysical Regulation, Engineering processes drilling licenses, geophysical licenses and applications to recomplete, suspend, or abandon wells. It also issues permits for all oil and gas facilities. In 2004/05, a total of 183 drilling licenses and nine geophysical licenses were issued. In addition, 92 technical well operations applications were processed.

Technical studies are undertaken of oil and gas reserves and enhanced recovery potential. As of December 31, 2003, total and remaining proved developed oil reserves in Manitoba were 40.5 million cubic metres and 4.3 million cubic metres, respectively. Reserve additions for 2003 totalled 0.4 million cubic metres, 56% of oil production over the same period. The 2003 reserve life index is 6.8 years. Modifications to two existing enhanced oil recovery (EOR) projects were approved in 2004/05.

Information and advice are provided to the petroleum industry and the public at the Winnipeg, Virden and Waskada offices. The following informational notices were issued by the Branch in 2004/05:

- Informational Notice 04-2 – Wells with Casing Leaks – May 3, 2004
- Welding on Pressure Piping in the Manitoba Oilfields – July 7, 2004
- Informational Notice 04-3 – Annual Report Abandonment Fund Reserve Account Fiscal Year Ending March 31, 2004
- Informational Notice 04-4 – Schedule of Public Offerings of Manitoba Crown Oil and Gas Rights-2005 – July 14, 2004

Inspection

Inspection enforces regulations under The Oil and Gas Act related to geophysical, drilling, production, and pipeline operations. Specifically, the inspectors license and inspect field facilities, investigate complaints, witness specific operations, and interpret and communicate departmental or regulatory requirements to industry personnel. Inspectors are also responsible for carrying out safety and health inspections of petroleum industry operations under The Workplace Safety and Health Act. District offices are located in Virden and Waskada.

More than 1,200 wells and oil and gas facilities in the province were inspected at least once during the year. A total of 154 non-compliance orders were issued in 2004/05 for wells and oil and gas facilities not in compliance with the Act. A total of 22 flowline applications were processed and 74 excavation permits issued.

Inspectors visit all abandoned wellsites to ensure that the abandonment and clean up have been conducted properly and that plant growth has been established. During 2004/05, 61 Certificates of Abandonment were issued, allowing for the release of wells from performance deposit requirements. The unit also manages a program of environmental protection involving the rehabilitation of all oil or salt water spill sites. During 2004/05, 22 new spills and 212 old spill sites were inspected. Forty-five spill sites were fully rehabilitated and released from the Branch's rehabilitation program.

Inspection participates on the steering committee of the Manitoba Producers Oil Spill Cooperative and represents the Department on the Canadian Petroleum Safety Council and on Petroleum Industry Training Service committees responsible for the development of safety, environmental and other training courses for oilfield workers. Inspection continued its participation in the development of draft workplace safety and health regulations for oil and gas drilling and service rigs. The goal of the proposed regulation is to ensure compatibility between western Canadian jurisdictions where these rigs operate. The unit also takes an active role in the management of oilfield waste and other environmental issues facing the petroleum industry.

Digital Information Services Section

Digital Information Services is responsible for development and maintenance of computer systems within the Branch. These systems include a diverse collection of activities such as web services, database maintenance, GIS, application development and document images and drafting services.

In 2004/05, the section focused on three major areas: GIS map products, Petroleum website enhancements and the continued development and support of the Manitoba Oil and Gas Well Information System (MOGWIS).

Accomplishments in 2004/05 include:

- Petroleum maps showing Crown oil and gas rights, Crown dispositions, oilfield and pool boundaries, wells, and batteries were added to the GIS map gallery on the Department's website. Printed copies of maps are still available from the Branch.
- Continued development of a program to assist Administration and Geology in conducting audits of Crown royalty and freehold production tax payments. The system is undergoing final testing.
- Continued support for the Oracle Petroleum Branch database and the Manitoba Oil and Gas Well Information System (MOGWIS).
- Ongoing support for GIS functions.
- Continued updating and enhancement of Petroleum Website – In 2004/05, website visits increased 31% to 177,533 and downloads of information, forms and documents increased 13% to 105,896.
- Supported ongoing agreements to supply Manitoba data to petroleum industry data/software vendors

- Completed software certification and testing as part of government-wide migration to Windows XP and centralization of file and print servers

Minister's and Director's Approvals

Under The Oil and Gas Act, the Minister and the Director of Petroleum have authority to issue orders relating to drilling, production, storage and transportation of oil and gas. The Minister has authority to make orders relating to well spacing, enhanced recovery, maximum production rates, seizure of wells and facilities and to enter into Unit Agreements on behalf of the Crown. The Lieutenant Governor in Council has delegated parts of this authority, under Order in Council 384/2001, to the Director where the circumstances are considered routine. The Director has authority to issue orders relating to salt water disposal, designation of field and pools, designation of new oil status and to affect the seizure of wells and facilities of a non compliant operator pursuant to a Ministerial Seizure Order.

In 2004/05, the following Ministerial Orders were issued:

Waterflood Order No. 13 (amended)*	May 20, 2004	Tundra Oil and Gas Ltd.
Spacing Order No. 17*	December 24, 2004	Canadian Natural Resources Ltd.
Waterflood Order No. 15*	December 24, 2004	Canadian Natural Resources Ltd.
Seizure Order	January 31, 2005	Tancam Consulting Ltd.

*order made by Director of Petroleum under delegation

In 2004/05 the Director of Petroleum made the following orders:

Salt Water Disposal Permit No. 185	April 19, 2004	Rideau Petroleums Ltd.
Salt Water Disposal Permit No. 178A	May 31, 2004	Chevron Canada Resources
Notice of Abandonment	July 7, 2004	Tancam Consulting Ltd.
Salt Water Disposal Permit No. 169A	September 14, 2004	Tundra Oil and Gas Ltd
Salt Water Disposal Permit No. 187	November 30, 2004	Tundra Oil and Gas Ltd.
Salt Water Disposal Permit No. 188	December 14, 2004	New Midland Petroleum Ltd.

Petroleum Industry Overview :

	2004	2003
New Wells Drilled	119	94
Oil Production	637 498 (4.0 million bbls)	633 098 m^3 (3,984,017 bbls)
Value of Oil Sales ($million)	$195.7	$157.4
Average Selling Price	$306.93/$m^3$ ($48.77/bbl)	$248.61/$m^3$ ($39.51/bbl)
Wells Producing - December 2004	1,474	1,487
Estimated Industry Expenditures ($million)	$116.8	$99.6

More comprehensive information and historical statistics on Manitoba's petroleum industry are presented in the Oil Activity Review available from the Petroleum Branch.

10-3(c) Petroleum

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	1,039.5	19.50	1,037.2	2.3	
Total Other Expenditures	292.8		292.5	0.3	
Total Expenditures	**1,332.3**	**19.50**	**1,329.7**	**2.6**	

BOARDS AND COMMISSIONS

OBJECTIVES

To provide for the resolution of disputes between surface rights holders, mineral rights, and oil and gas rights holders with respect to accessing minerals, oil and gas.

Mining Board
The Mining Board is established under the Mines and Minerals Act. The primary function of the Board is the arbitration of disputes between surface rights holders and mineral rights holders with respect to accessing of minerals other than oil and gas. The Board can also hear and resolve disputes between holders of mineral dispositions and between holders and officers of the Department.

In 2004/2005 the two disputes before the Board were resolved:

- Peter Dunlop vs. the Mines Branch filed May 16, 2003 was settled by arbitration in January 2005
- Steve Lesavage vs. the Mines Branch filed June 16, 2003 was ruled in favour of the Mines Branch April 2005.

No additional disputes were registered in 2004/2005

Surface Rights Board
Responsibility for the Surface Rights Act was transferred from Intergovernmental Affairs to Industry, Trade and Mines in April 2002. The Surface Rights Act establishes a quasi-judicial process for resolving land access and development disputes between oil and gas development proponents and surface rights holders. The Act also establishes a Board to arbitrate and mediate disputes and establishes appropriate compensation for petroleum development activities. Land Management provides secretarial support to the process and the Board. Manitoba last hosted the Western Canada's Surface Rights Conference in June 2003; the conference in 2004 was hosted by Saskatchewan. In 2005, Alberta will host the conference. Manitoba will next host the conference in 2007. The Conference provides an overview of issues and trends related to Board matters in Western Canada in the oil and gas section.

1.	Signed Agreements for Surface Leases (fiscal year)	=	174
	Total Number of Recorded Surface Leases	=	2284
2.	Review of Compensation Applications	=	1
3.	Right of Entry Applications	=	0
4.	Termination of Board Orders	=	0
5.	Application for Abandonment Orders	=	0
6.	Board Orders Issued	=	1

- Kool V Americo Resources outstanding compensation payment order #01/2004 issued June, 2004.

10-3(d) Boards and Commissions

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries and Employee Benefits	9.8		26.6	(16.8)	
Total Other Expenditures	23.9		17.7	6.2	
Total Expenditures	**33.7**		**44.3**	**(10.6)**	

COMMUNITY AND ECONOMIC DEVELOPMENT

COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

OBJECTIVES

The Community and Economic Development Committee (CEDC) is the Cabinet committee responsible for the initiation and co-ordination of community and economic development activity across government departments. CEDC comprises six senior cabinet ministers and the Premier, and is chaired by the Minister of Agriculture, Food and Rural Initiatives.

The CEDC Secretariat provides analytical and administrative support to the Committee. Secretariat staff assist the Committee in the development and implementation of policy and projects consistent with the community and economic development priorities of government. In co-operation with departments, community organizations, business and labour groups, the Secretariat provides CEDC with the necessary supports and expertise to ensure balanced and sustainable economic growth for the Province of Manitoba.

ACTIVITIES/RESULTS

Some of the specific results achieved through the involvement of the Secretariat were:

Action Strategy for Economic Growth - Co-ordinated the Province's economic development strategy – Manitoba's Action Strategy for Economic Growth. The Action Strategy, which was updated in 2005, reflects recommendations provided by the Premier's Economic Advisory Council and underpins Manitoba's approach to sustainable, equitable and long term economic growth and competitiveness. The components of the strategy are: education first; building through research and innovation; raising and retaining investment; affordable government; growing through immigration; building on our clean energy advantage; and building our northern, rural and urban communities.

Northern Development Strategy - Co-ordinated inter-departmental activities carried out under the Northern Development Strategy (NDS), the province's long term plan to develop the human and natural resources of northern Manitoba. These northern development activities are focused on transportation, health, employment and training, housing and economic development. The NDS is based on the principle that the priorities, strengths and experiences of northern Manitobans must guide northern development. Accordingly, partnership building – such as that which is being implemented through the work of the province, Manitoba Hydro and Hydro-effected First Nations in Hydro Pre-Project Training – is an integral part of the strategy and an important role carried out by the CEDC Secretariat.

Community Economic Development Initiative - Promoted community economic development (CED) in the province by co-ordinating inter-departmental efforts and assisting departments in implementing the CED Policy Framework and Lens. The CEDC Secretariat chairs the CED Working Group, which develops policy tools to support CED and encourages government efforts to assist marginalized communities in building social, human and financial capital.

Industry Attraction - Co-ordinated inter-departmental efforts to attract businesses to Manitoba that will create jobs and bring economic benefits to the province.

Destination Winnipeg - Represented the Province of Manitoba on the board of directors of this recently formed tourism and economic development agency, and partnered with the agency on various industry development and tourism projects.

Keystone Centre - Co-ordinated and facilitated the partnership between the Province of Manitoba, the City of Brandon and the Provincial Exhibition of Manitoba. Collaborated with the Keystone Centre board of directors, the City of Brandon and the federal government to provide a long term capital support package to the centre.

Port of Churchill - Co-ordinated negotiations with the town of Churchill, OmniTRAX, and the federal and provincial governments, to support and promote northern sea routes (including the "Arctic Ice Bridge"), which will help ensure the future viability of the Port of Churchill.

Hydro Power Sale - Co-ordinated efforts to increase export sales of Manitoba's clean and renewable hydro electricity to support northern development and maximize opportunities for Aboriginal involvement and benefit.

Composites Innovation Centre - Co-ordinated inter-departmental and inter-governmental activities that supported the establishment of the Composite Innovation Centre that opened at the University of Manitoba's SMARTpark in late 2004.

Increased Slaughter Capacity - Co-ordinated inter-departmental and inter-governmental supports to help producers, co-ops and other interested groups to obtain information and programming related to increasing slaughter capacity in Manitoba, particularly with respect to the cattle industry.

Immigration - Co-ordinated inter-departmental activities to promote the Growing Through Immigration Strategy, the Provincial Nominee Program – Skilled Workers and the Provincial Nominee Program for Business.

Housing - Co-ordinated and led inter-departmental activities on low income housing policies and programs, the Affordable Housing Initiative and the proposed Waverley West development.

Sustainable Forestry - Worked with First Nations, communities and industry to explore opportunities for sustainable forestry developments, including a southern hardwood project.

10-4(a) Community and Economic Development Committee

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	872.0	11.00	919.4	(47.4)	
Total Other Expenditures	362.1		348.5	13.6	
Total Expenditures	**1,234.1**	**11.00**	**1,267.9**	**(33.8)**	

PREMIER'S ECONOMIC ADVISORY COUNCIL

OBJECTIVES

The Premier's Economic Advisory Council (PEAC) is a group of 35 prominent Manitobans who have been invited by the Premier to provide him with advice on a wide range of economic issues affecting Manitoba's economy. The membership of PEAC consists of business, labour, education, research, community and Aboriginal leaders. PEAC is co-chaired by Bob Silver, President of Western Glove Works, and Robert Ziegler, President of the United Food and Commercial Workers Union, Local 832.

ACTIVITIES/RESULTS

PEAC has recommended strategies for attracting investment, expanding immigration, enhancing labour force development and retention, improving the image of our province, expanding natural resource development, establishing a long-term vision for research and development, increasing local investment and enhancing Aboriginal economic development.

Some specific activities of PEAC were:

Aboriginal Summit - PEAC hosted a summit entitled *Bridging Opportunities* in November, 2004. The Summit was based on the successful Century Summit (2000) model, and featured 10 pre-summit focus groups, 10 pre-summit personal interviews and a professionally facilitated summit to which 200 participants were invited. Summit participants developed a preliminary set of recommendations which were presented to the Premier at the end of the Summit. At the invitation of the Premier, PEAC is now developing an implementation framework for these recommendations. The focus of *Bridging Opportunities* was increasing Aboriginal business development and increasing Aboriginal participation in the workforce.

Image Strategy Development - PEAC has been invited by the Premier to provide further recommendations in the area of Manitoba's image. It has formed a broad-based Task Group who will support a process to develop a new image strategy for the Province of Manitoba. PEAC has identified that Manitoba's future economic success will be influenced by how others view Manitoba and how Manitobans view themselves.

Local Investment Council – Under the auspices of PEAC, volunteers representing the broader investment community, labour, Manitoba and Winnipeg Chambers of Commerce, Manitoba Business Council, Manitoba Federation of Labour and Investment Dealers Association of Manitoba, developed a series of recommendations designed to increase the amount of venture capital in Manitoba through greater capital re-investment by Manitoba based institutional and private sector funds.

Natural Resources as Economic Drivers - PEAC is developing recommendations on commercial fishing and how this important resource might create better economic development opportunities for Manitoba fishers.

Healthcare as an Economic Driver – PEAC is examining ways in which Manitoba's healthcare spending can better contribute to the Province's economic development.

10-4(b) Premier's Economic Advisory Council

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Total Salaries & Employee Benefits	171.4	2.00	159.0	12.4	
Total Other Expenditures	250.3		240.0	10.3	
Total Expenditures	**421.7**	**2.00**	**399.0**	**22.7**	

AMORTIZATION AND OTHER COSTS RELATED TO CAPITAL ASSETS

Commencing in 1999/2000, it is the policy of the Province of Manitoba to record in the accounts of the Province, the tangible capital assets owned and used by the Province along with appropriate amortization costs. The Provincial Comptroller has established standard asset classes, along with capitalization thresholds and corresponding amortization rates. Consistent with this policy, this sub-appropriation records the costs associated with the amortization of the Department's share of the total estimated costs of the Desktop Management Initiative and Enterprise System Management allocated to the Department. In the case of Desktop, based on units acquired by the Department as a percentage of total units acquired by the Province and, in the case of Enterprise System Management, by projected departmental used. A small amount is also included for the amortization of other departmental assets.

10-5(a) Amortization and Other Costs Related to Capital Assets - Desktop Services

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Amortization of Expenses - Hardware & Transition	41.0		40.7	0.3	
Enterprise Software Licenses	65.6		58.8	6.8	
Total Expenditures	**106.6**		**99.5**	**7.1**	

10-5(b) Amortization and Other Costs Related to Capital Assets - Amortization Expense

Expenditures by Sub-Appropriation	Actual 2004/05 $	Estimate 2004/05 FTE	Estimate 2004/05 $	Variance Over (Under)	Expl. No.
Amortization Expense	59.0		67.2	(8.2)	
Total Expenditures	**59.0**		**67.2**	**(8.2)**	

INDUSTRY, ECONOMIC DEVELOPMENT AND MINES

Reconciliation Statement

EXPENDITURE DETAILS	
2004/05 MAIN ESTIMATES	30,474.5
Allocation of Funds from: Enabling Appropriations re: Internal Reform, Workforce Adjustment and General Salary Increases	67.6
Transfer of functions to: Intergovernmental Affairs and Trade	(1,684.7)
2004/05 ESTIMATE	28,857.4

Industry, Economic Development and Mines
Expenditure Summary
For Fiscal Year Ended March 31, 2005 (with comparative figures for the previous year)

Estimate 2004/05 $		Appropriation	Actual 2004/05 $	Actual 2003/04 $	Increase (Decrease) $	Explanation Number
	10-1	**Administration and Finance**				
29.4		(a) Minister's Salary	28.9	28.8	0.1	
		(b) Executive Support				
445.3		(1) Salaries and Employee Benefits	460.7	447.8	12.9	
80.5		(2) Other	79.4	76.6	2.8	
		(c) Financial and Administrative Services				
1,221.6		(1) Salaries and Employee Benefits	1,265.3	1,261.4	3.9	
336.9		(2) Other	269.8	301.5	(31.7)	
108.3		(3) Computer Services	108.9	105.3	3.6	
(150.0)		(4) Less: Recoverable from other appropriations	(150.0)	(150.0)	0.0	
		(d) Policy, Planning and Coordination				
425.0		(1) Salaries and Employee Benefits	424.7	409.7	15.0	
148.9		(2) Other	104.3	116.0	(11.7)	
		(f) Manitoba Bureau of Statistics				
727.4		(1) Salaries and Employee Benefits	622.5	653.1	(30.6)	
162.7		(2) Other	161.8	207.3	(45.5)	
(60.0)		(3) Less: Recoverable from other appropriations	(41.3)	(47.9)	6.6	
3,476.0		Total 10-1	3,335.0	3,409.6	(74.6)	
	10-2	**Business Services**				
		(a) Industry Development-Financial Services				
849.0		(1) Salaries and Employee Benefits	733.3	799.8	(66.5)	
365.2		(2) Other	363.9	287.6	76.3	
		(3) Industry Development-Program Delivery				
9,603.7		(a) Manitoba Industrial Opportunities Program	8,014.1	9,712.4	(1,698.3)	1
692.9		(b) Vision Capital	607.8	692.2	(84.4)	
1,173.0		(c) Manitoba Business Development Fund	1,115.5	1,606.2	(490.7)	2
2,473.0		(d) Third Party Managed Capital Funds	2,898.2	826.2	2,072.0	3
(6,449.3)		(e) Less: Interest Recovery	(4,153.9)	(4,070.4)	(83.5)	

Estimate 2004/05 $		Appropriation	Actual 2004/05 $	Actual 2003/04 $	Increase (Decrease) $	Explanation *Number*
		(4) Industry Development-Program Delivery				
2,462.1		(a) Mineral Exploration Assistance Program	1,712.6	2,011.1	(298.5)	*4*
196.5		(b) Manitoba Potash Project	138.1	144.6	(6.5)	
132.5		(c) Acid Rain Abatement Program - Flin Flon	132.8	183.4	(50.6)	
123.1		(d) Prospectors' Assistance Program	49.5	72.7	(23.2)	
		(b) Industry Consulting and Marketing Support				
727.9		(1) Salaries and Employee Benefits	736.6	697.3	39.3	
944.1		(2) Other	859.4	526.1	333.3	*5*
		(c) Small Business Development				
1,017.1		(1) Salaries and Employee Benefits	1,044.6	1,044.0	0.6	
593.0		(2) Other	531.2	544.2	(13.0)	
30.0		(3) Grants	30.0	30.0	0.0	
		(d) Business Immigration and Investment				
162.9		(1) Salaries and Employee Benefits	174.2	173.6	0.6	
196.7		(2) Other	165.9	310.2	(144.3)	*6*
15,293.4		Total 10-2	15,153.8	15,591.2	(437.4)	
	10-3	**Mineral Resources**				
		(a) Manitoba Geological Survey				
3,566.8		(1) Salaries and Employee Benefits	3,567.4	3,585.7	(18.3)	
1,682.0		(2) Other	1,497.4	1,685.4	(188.0)	*7*
		(b) Mines				
1,208.5		(1) Salaries and Employee Benefits	1,224.1	1,227.8	(3.7)	
423.1		(2) Other	404.3	387.3	17.0	
		(c) Petroleum				
1,037.2		(1) Salaries and Employee Benefits	1,039.5	1,099.3	(59.8)	
292.5		(2) Other	292.8	294.5	(1.7)	
		(d) Boards and Commissions				
26.6		(1) Salaries and Employee Benefits	9.8	16.3	(6.5)	
17.7		(2) Other	23.9	26.7	(2.8)	
8,254.4		Total 10-3	8,059.2	8,323.0	(263.8)	

Estimate 2004/05 $		Appropriation	Actual 2004/05 $	Actual 2003/04 $	Increase (Decrease) $	Explanation *Number*
	10-4	**Community and Economic Development**				
	(a)	Community and Economic Development Committee Secretariat				
919.4		(1) Salaries and Employee Benefits	872.0	805.3	66.7	
348.5		(2) Other	362.1	410	(47.9)	
	(b)	Premier's Economic Advisory Council				
159.0		(1) Salaries and Employee Benefits	171.4	154.2	17.2	
240.0		(2) Other	250.3	147.5	102.8	*8*
1,666.9		Total 10-4	1,655.8	1,517.0	138.8	
	10-5	**Amortization and Other Costs Related to Capital Assets**				
	(a)	Desktop Services				
40.7		(1) Amortization Expense-Hardware and Transition	41.0	49.5	(8.5)	
0.0		(2) Amortization Expense - Enterprise Software	0.0	0.0	0.0	
58.8		(3) Enterprise Software Licenses	65.6	65.4	0.2	
67.2	(b)	Amortization Expense	59.0	64.2	(5.2)	
166.7		Total 10-5	165.6	179.1	(13.5)	
28,857.4		**TOTAL INDUSTRY, ECONOMIC DEVELOPMENT AND MINES**	28,369.4	29,019.9	(650.5)	

Industry, Economic Development and Mines
Expenditure Summary Explanations

Explanations:

1. *Bad debt expense was lower in 2004/05 than in 2003/04.*
2. *Grant payments were lower in 2004/05 then in 2003/04.*
3. *Bad debt expense was higher in 2004/05 than in 2003/04.*
4. *Grant payments were lower in 2004/05 than in 2003/04.*
5. *Grant payments were higher in 2004/05 then in 2003/04.*
6. *Program expenditures were lower in 2004/05 then in 2003/04.*
7. *Operating expenditures were lower in 2004/05 than in 2003/04, due to expenditure management.*
8. *Operating expenditures were higher in 2004/05 than in 2003/04, due to new aboriginal initiative.*

Industry, Economic Development and Mines
Revenue Summary by Source
For Fiscal Year Ended March 31, 2005 (with comparative figures for the previous year)

Actual 2003/04 $	Actual 2004/05 $	Increase (Decrease) $	Source	Actual 2004/05 $	Estimate 2004/05 $	Variance $	Explanation Number
			Current Operating Programs:				
			Taxation				
2,786	3,195	409	(a) Oil and Natural Gas Tax	3,195	2,277	918	1
2,786	3,195	409	Sub-Total	3,195	2,277	918	
			Other Revenue				
2,990	4,781	1,791	(a) Petroleum Royalties and Fees	4,781	2,953	1,828	2
2,630	2,284	(346)	(b) Minerals Royalties and Fees	2,284	2,479	(195)	3
98	61	(37)	(c) Sundry	61	189	(128)	4
5,718	7,126	1,408	Sub-Total	7,126	5,620	1,506	
8,504	10,321	1,817	TOTAL REVENUE	10,321	7,897	2,424	

Explanations:

Comparison to Previous Year:

1 *409, Oil and Natural Gas revenue is higher in 2004-05 then 2003-04 due to increased production and oil prices.*

2 *1791, Variance of petroleum royalties and fees primarily due to large amount of land leased by industry.*

3 *(346), Variance of mineral royalties and fees primarily due to timing of payments on lease rentals and other miscellaneous revenue items.*

Comparison to Estimate:

1 *918, Oil and Natural Gas revenue is higher then estimated primarily due toincreased production and oil prices.*

2 *1828, Variance of petroleum royalties and fees primarily due to large amount of land leased by industry.*

3 *(195), Variance of mineral royalties and fees primarily due to cancellation of Mineral leases.*

4 *(128), Variance primarily due to decreased revenue related to the Federal Immigrant Investor Program, offset by an increase in other miscellaneous revenue.*

FIVE YEAR HISTORY
Industry, Economic Development and Mines
Five-Year Expenditure and Staffing Summary by Appropriation ($000s)
For Five Years Ended March 31, 2005

	Actual/*Adjusted Expenditures									
	2000-2001		2001-2002		2002-2003		2003-2004		2004-2005	
Appropriation	FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
Administration and Finance	50.26	4,140.2	46.14	3,318.8	46.14	3,423.5	50.50	3,624.9	48.00	3,335.0
Business Services	55.70	17,245.3	40.67	10,847.3	49.50	16,032.2	44.50	15,220.8	42.50	15,153.8
Mineral Resources	95.34	7,863.1	102.61	8,418.8	114.10	8,149.3	113.10	8,444.4	107.60	8,059.2
Community and Economic Development	7.70	700.5	9.49	1,062.3	13.00	1,532.0	13.00	1,607.5	13.00	1,655.8
Amortization of Capital Assets		379.8		351.6		348.1		166.7		165.6
TOTAL OPERATING	209.00	30,328.9	199.11	23,998.8	222.74	29,485.1	221.10	29,064.3	211.10	28,369.4
Expenditures Related to Capital										
TOTAL	209.00	30,328.9	199.11	23,998.8	222.74	29,485.1	221.10	29,064.3	211.10	28,369.4

* - Adjusted figures reflect historical data on a comparable basis in those appropriations affected by reorganizations during the five years

APPENDIX A

ASSOCIATED AGENCIES, BOARDS, COMMISSIONS and COUNCILS

THE MANITOBA DESIGN INSTITUTE

The Manitoba Design Institute was established by an Act of the Legislative Assembly in 1963. The Institute had no operating budget or staff in 2004/05.

THE MANITOBA DEVELOPMENT CORPORATION

The Manitoba Development Corporation (MDC) provides loans and loan guarantees under Part 2, The Development Corporation Act. MDC tables its annual financial statements under separate cover with the Manitoba Legislature.

APPENDIX B

FINANCIAL INFORMATION

Industry, Economic Development and Mines
Summary of Business Assistance
2004-2005 Fiscal Year

ASSOCIATION CONTRIBUTIONS	25,000.00
FEASIBILITY STUDIES/PROJECTS	48,400.00
MANITOBA PROSPECTORS ASSISTANCE PROGRAM	49,548.95
MINERAL EXPLORATION ASSISTANCE PROGRAM	1,712,554.21
NEW BUSINESS ASSISTANCE - TECHNOLOGY COMMERCIALIZATION	402,452.69
SMALL BUSINESS DEVELOPMENT	30,000.00
SPECIAL ASSISTANCE	607,910.12
	$ 2,875,865.97

APPENDIX C

FINANCIAL INFORMATION

Industry, Economic Development & Mines
List of Business Assistance
2004-2005 Fiscal Year

ASSOCIATION CONTRIBUTIONS	
Skills Canada Manitoba	25,000.00
	$ 25,000.00
FEASIBILITY PROJECTS/STUDIES	
Country Meat & Sausage	25,000.00
Manitoba Starch Products	12,500.00
Norscan Instruments Ltd	900.00
Shocknife Inc	6,000.00
Triple S Ditcher Inc	4,000.00
	$ 48,400.00
MANITOBA PROSPECTORS' ASSISTANCE PROGRAM	
Davy, Gordon	6,659.31
Hood, William	2,244.33
Kuran, William	2,913.25
Klyne, Ken	1,415.00
Lee, John	6,710.46
Rastel, James	7,033.29
Theriault, Ozias	7,500.00
Thorne, Paul	6,005.12
Westdal, Harold	6,885.45
Wood, Wilfred	1,314.50
Ziehlke, Daniel	868.24
	$ 49,548.95

APPENDIX C

FINANCIAL INFORMATION

Industry, Economic Development & Mines
List of Business Assistance
2004-2005 Fiscal Year

MINERAL EXPLORATION ASSISTANCE PROGRAM

1126774 Ontario Ltd.	8,211.70
4270828 Manitoba Ltd.	2,464.32
4865902 Manitoba Ltd.	31,268.41
Arctic Star Diamond Corp.	53,044.34
Aurora Pacific Consulting and Development Corp.	20,911.34
Bema gold Corporation	85,847.76
BHP Billiton Diamonds Inc.	82,458.68
Black Pearl Minerals Consolidated Inc.	24,225.87
Buhlmann and Associates Inc.	45,946.97
Callinan Mines Limited.	55,324.00
Canadian Gold Hunter Corp.	39,322.38
Canadian Royalties Inc.	39,020.78
Columbia Yukon Explorations Inc.	28,855.94
Crowflight Minerals Inc.	78,041.56
Diamonds North Resources Ltd.	14,278.58
Explorateurs Innovateurs de Quebec Inc.	9,017.47
Falcon Ventures Inc.	13,216.45
Falconbridge Limited	108,433.23
Foran Mining Corporation	44,869.18
Gossan Resources Limited	62,405.95
Hudson Bay Exploration and Development Company Limited	45,170.86
Icon Industries Limited	48,966.39
Keewatin Resources Ltd.	6,883.27
Klyne Exploration Ltd.	3,083.13
Marum Resources Inc.	9,079.10
Mustang Minerals Corp.	39,020.78
Norman Paterson	6,301.86
Nuinsco Resources Limited	76,067.78
Nustar Resources Inc.	15,684.52
Pioneer Metals Corporation	10,248.08
Placer Dome Canada	65,693.58
Puma Exploration	72,898.06
Rare Earth Metals Corp.	51,592.57
San Gold Resources Corporation	156,065.22
Strider Resources Limited	20,927.31
Tantalum Mining Corporation of Canada Limited	5,076.75
Torch River Mines Ltd.	27,540.72
Trans America Industries Ltd.	46,826.98
Tudale Exploration Ltd.	44,629.86
Valgold Resources Ltd.	23,113.73
W.S. Ferreira Ltd.	4,670.99
Wildcat Exploration Ltd.	85,847.76
	$ 1,712,554.21

APPENDIX C

FINANCIAL INFORMATION

Industry, Economic Development & Mines
List of Business Assistance
2004-2005 Fiscal Year

NEW BUSINESS ASSISTANCE - TECHNOLOGY COMMERCIALIZATION	
4656301 Manitoba Inc	6,607.32
AbilityWorks Inc	2,500.00
AML Wireless Networks Inc	22,757.09
Avitek Biopharma Inc	21,709.53
Custom Steel Manufacturing Ltd	50,000.00
Home Farms Technologies Inc	50,000.00
IC Group Inc	29,727.50
Information Forge Inc	38,728.41
Jordan Mills Ltd	2,800.00
KBS Industries Inc	19,047.50
North Country Plastics	4,175.49
Osorno Enterprises Inc	3,025.46
Powerlok Ltd	2,732.50
Quickfyre Innovations Inc	12,035.00
Ramp Industries Ltd	40,612.53
Solectron Canada Inc	50,000.00
Sunridge Forage Ltd	25,669.66
Tri Form Plastics Inc	14,820.91
Vari Tech Systems Inc	5,503.79
	$ 402,400.69

SMALL BUSINESS DEVELOPMENT	
Manitoba Marketing Network Inc	30,000.00
	$ 30,000.00

SPECIAL ASSISTANCE	
Associated Proteins Inc.	37,500.00
CDEM	25,000.00
Community Futures Partners Of Manitoba Inc	25,000.00
Composite Innovations Centre	400,000.00
Deloitte & Touche	37,489.00
Internal Trade Secretariat	8,793.00
Prairie Pulp And Paper Inc.	50,000.00
Rice Lake Gold Corp	600.00
University Of Manitoba	23,528.12
	$ 607,910.12

APPENDIX D

MINERAL RESOURCES DIVISION PUBLICATIONS

Bedrock Geology Compilation Map Series

NTS 54M
Caribou River (1 full-colour map, scale 1:250 000)

Geoscientific Maps

MAP2004-1
Geology and tectonostratigrahic assemblages, eastern Sachigo Subprovince, Ontario and Manitoba / by D. Stone, M.T. Corkery, J. Hallé, J. Ketchum, M. Lange, T. Shulski and J. Whalen (1 colour map, scale 1:250 000 with marginal notes)

Geoscientific Papers

GP2005-1
Compositions of olivine, augite, orthopyroxene, chromite and plagioclase from the Fox River Sill, northeastern Manitoba (NTS 53M16) / by A.C. Turnock, M. Raudsepp and R.F.J. Scoates

GP2004-1
Geochemical constraints on the tectonomagmatic evolution of the Fox River Belt, northeastern Manitoba (NTS 53M15 and 16) / by G. Desharnais, D.C. Peck, N.M. Halden, R.F.J. Scoates, and L.J. Hulbert

Geoscientific Reports

GR2005-1
Structure and geometry of the Paleoproterozoic Ruttan VMS deposit, southwest Rusty Lake belt (NTS 64B5), Manitoba / by S.D. Anderson, C.J. Beaumont-Smith and C.O. Böhm

GR2004-2
Geology and geochemistry of Archean supracrustal and intrusive rocks in the southeast Max Lake–Aswapiswanan Lake area, Manitoba (parts of NTS 53L5N, 6NW and 12SW) / by H.P. Gilbert.

GR2004-1
Prairie-type microdisseminated mineralization in the Dawson Bay area, west-central Manitoba (NTS 63C14 and 15) / by M.A.F. Fedikow, R.K. Bezys, J.D. Bamburak, I.T. Hosain, and H.J. Abercrombie

Open File Reports

OF2004-25 (digital web release only)
Manitoba Kimberlite Indicator Mineral Database (version 3.0) / by G.R. Keller, D.J. Bodgan and G.L.D. Matile (Supercedes OF2004-2)

OF2004-3 to OF2004-24
High-resolution maps of the residual total magnetic field and the first vertical derivative of the magnetic field, Assean Lake area, northern Manitoba (NTS 64 A1, 2, 3, 4, 6, 7, 8, 9, 10 and 54D5, 6) /
by M. Coyle, F. Kiss, D. Oneschuk (22 colour maps, scale 1:50 000)

OF2004-2 (digital web release only)
Manitoba Kimberlite Indicator Mineral Database (Version 2.0) / by Keller, G.R., Bogdan, D.J. and Matile, G.L.D. (supersedes OF2004-1 and OF2003-3)

Petroleum Reports and Maps

Mesozoic drill stem tests and oil & gas shows: Pierre Shale to Amaranth (December 31, 2004)

Mississippian drill stem tests and oil & gas shows (December 31, 2004)

Lower Paleozoic drill stem tests and oil & gas shows: Three Forks to Precambrian (December 31, 2004)

Crown oil and natural gas rights map (scale 1:125 000)

Pool location map / by M.P.B Nicolas (scale 1:125 000)

Well location map #7 (scale 1:125 000)

Preliminary Maps

PMAP2004-1
Geology of central and north Split Lake, Manitoba (parts of NTS 54D4, 5, 6 and 64A1) / by R.P. Hartlaub, and Y. D. Kuiper (scale 1:25 000)

PMAP2004-2
Structural geology of Assean Lake, Manitoba (parts of NTS 64A1, 2 and 8) / by Y. D. Kuiper, S. Lin, C.O. Böhm and M.T. Corkery (scale 1:25 000)

PMAP2004-3
Structural geology of the Aiken River deformation zone, Manitoba (parts of NTS 64A1 and 2) / by Y.D. Kuiper and S. Lin (scale 1:50 000)

PMAP2004-4
Structural geology of the Aiken River deformation zone, York Landing area, Manitoba (part of NTS 64A1) / by Y.D. Kuiper and S. Lin (scale 1:20 000)

Surficial Geology Compilation Map Series

SG-SMB
Surficial geology of southern Manitoba (south of 53°) / by G.L.D. Matile and G.R. Keller, scale 1:500 000

SG-52E, SG-52L, SG-52M, SG-53D, SG-62F, SG-62G, SG-62H, SG-62I, SG-62J, SG-62K, SG-62N, SG-62O, SG-62P, SG-63A, SG-63B, SG-63C
16 surficial geology maps of southern Manitoba / by G.L.D. Matile and G.R. Keller (colour maps, scale 1:250 000)

Report of Activities 2004

Annual review / by E.C. Syme, p. 1-8.

FLIN FLON-SNOW LAKE

Geological investigations in the northern Flin Flon Belt, Manitoba (parts of NTS 63K13N and 63K14NW) / by H.P. Gilbert, p. 9-23.

Physical description of the 1920 member, Hidden formation, Flin Flon, Manitoba (NTS 63K16SW) / by Y.M. DeWolfe and H.L. Gibson, p. 24-35.

Geological investigations of the platinum group element potential of the Chisel Lake mafic-ultramafic intrusion and other targets in the Flin Flon Belt, Manitoba (parts of NTS 63K16) / by P. Theyer and A.E. Stansell, p. 36-42.

Evaluation of an electromagnetic conductor at Reed Lake, Manitoba, using Enzyme Leach^{SM} analyses of peat bog and lake sediment (NTS 63K10) / by G.H. Gale, p. 43-52.

Activities of the Manitoba Geological Survey's Flin Flon regional office / by T.H. Heine, p. 53-54.

LYNN LAKE-LEAF RAPIDS

Structural analysis of the Lynn Lake greenstone belt, Manitoba (NTS 64C10, 11, 12, 14, 15 and 16) / by C.J. Beaumont-Smith and C.O. Böhm, p. 55-68.

Eden deformation corridor and polymetallic mineral belt, Trans-Hudson Orogen, Leaf Rapids area, Manitoba (NTS 64B and 64C) / by A.H. Mumin and L. Corriveau, p. 69-91.

Enzyme Leach[SM] and Terrasol Leach[SM] studies of soils at the MacLellan Au-Ag deposit, Lynn Lake, Manitoba (NTS 64C15) / by G.H. Gale, P. Pawliw and G.T. Hill, p. 92-103.

Rock and spruce-bark analyses in the vicinity of a zone of 'barren sulphide': implications for exploration of the Sheila-Margaret lakes area, Lynn Lake, Manitoba (NTS 64C14) / by G.H. Gale, p. 104-114.

SUPERIOR BOUNDARY ZONE, THOMPSON NICKEL BELT

Northern extension of the Thompson Nickel Belt, Manitoba (NTS 64A3 and 4) / by H.V. Zwanzig and C.O. Böhm, p. 115-119.

Pikwitonei–Snow Lake, Manitoba transect (parts of NTS 63J, 63O and 63P), Trans-Hudson Orogen–Superior Margin Metallotect Project: initial geological, isotopic and SHRIMP U-Pb results / by J.A. Percival, J.B. Whalen and N. Rayner, p. 120-134.

Thompson Nickel Belt Project, Manitoba (part of NTS 63P): geology of the South pit, Thompson mine / by J.J. Macek, C.R. McGregor and H.V. Zwanzig, p. 135-148.

Mafic-ultramafic magmatism of the Bah Lake assemblage, Ospwagan Group, Upper Ospwagan Lake, Manitoba (NTS 63O9) / by H.V. Zwanzig, p. 149-155.

Preliminary geochemical and isotopic results from the Gull Rapids area of the eastern Split Lake Block, northwestern Superior Province, Manitoba (parts of NTS 54D5 and 6) / by M.S. Bowerman, C.O. Böhm, R.P. Hartlaub, L.M. Heaman and R.A. Creaser, p. 156-170.

New insights into the structural geology and timing of deformation at the Superior craton margin, Gull Rapids, Manitoba (NTS 54D6) / by M.W. Downey, S. Lin and C.O. Böhm, p. 171-186.

Archean and Paleoproterozoic geology of the northwestern Split Lake Block, Superior Province, Manitoba (parts of NTS 54D4, 5, 6 and 64A1) / by R.P. Hartlaub, C.O. Böhm, Y.D. Kuiper, M.S. Bowerman and L.M. Heaman, p. 187-194.

Structural geology of Assean Lake, Manitoba (NTS 64A1, 2 and 8) / by Y.D. Kuiper, S. Lin, C.O. Böhm and M.T. Corkery, p. 195-200.

Structural geology of the Aiken River deformation zone, Manitoba (NTS 64A1 and 2) / by Y.D. Kuiper, S. Lin, C.O. Böhm and M.T. Corkery, p. 201-208.

FAR NORTH

Preliminary Sm-Nd isotope results from granitoid samples from the Nejanilini granulite domain, north of Seal River, Manitoba (NTS 64P) / by C.O. Böhm, M.T. Corkery and R.A. Creaser, p. 209-215.

SOUTHEASTERN MANITOBA

Preliminary results and economic significance of geological mapping and structural analysis in the Rice Lake area, central Rice Lake greenstone belt, Manitoba (NTS 52M4 and 52L13) / by S.D. Anderson, p. 216-231.

Platinum group element investigations in the area of the Mayville igneous complex, Manitoba (NTS 52L12): exploiting palladium's mobility using humus samples / by P. Theyer, p. 232-235.

Investigation of spruce bark and soil geochemistry at the Poundmaker Au deposit, Bissett, Manitoba (NTS 52M4) / by G.H. Gale and N. Yavorskaya, p. 236-253.

Initial collection of dendrohydrological records to study drought in the Winnipeg River basin, Manitoba / by S. St. George, p. 254-256.

Phytoremediation and revegetation of mine tailings and bio-ore production: progress report on plant growth in amended tailings and metal accumulation in seedlings planted at Central Manitoba (Au) minesite (NTS 52L13) / by S. Renault, C. Szczerski, E. Sailerova and M.A.F. Fedikow, p. 257-261.

SOUTH-CENTRAL MANITOBA

Targeted Geoscience Initiative II – Williston Basin architecture and hydrocarbon potential in southwestern Manitoba and southeastern Saskatchewan: an update / by R.K. Bezys, B. Beauchamp, L.K. Kreis, C.D. Martiniuk, M. Nicolas and S. Whittaker, p. 262-265.

A possible new Mississippi Valley–type mineral occurrence near Pemmican Island in the north basin of Lake Winnipegosis, Manitoba (NTS 63B12 and 13, 63C9 and 16) / by J.D. Bamburak and K. Klyne, p. 266-278.

Study of the surface karst and related features in the Limestone Bay Component of the proposed Manitoba Lowlands national park, Manitoba (NTS 63G6, 11 and 14) — preliminary results / by A.J. Kobylecki and D.J. Bogdan, p. 279-291.

Quaternary mapping progress in southern Manitoba Phanerozoic terrane: 2-D and 3-D / by G.L.D. Matile, G.R. Keller and L.H. Thorleifson, p. 292-300.

Aggregate resources in the Rural Municipality of Grahamdale, Manitoba (NTS 62I13, 62J16, 62O1, 2, 7, 8, 9, 10, 15, 16 and 62P4) / by H.D. Groom, p. 301-308.

MANITOBA GENERAL

Kimberlite potential in Manitoba: an update / by E.C. Syme, R.K. Bezys, D.J. Bogdan, C.O. Böhm, C.A. Kaszycki, G.R. Keller, P.G. Lenton and G.L.D. Matile, p. 309-319.

The Manitoba Kimberlite Indicator Mineral Database: an update / by G.R. Keller and D.J. Bogdan, p. 320-322.

Manitoba's Precambrian Drillcore Libraries Program / by D.E. Prouse, p. 323-325.

Manitoba Mining & Minerals Convention Speaker Abstracts
Winnipeg, Manitoba, November 18-20, 2004

Archean orogenic lode gold in the Superior Province of Manitoba: geodynamic setting, metallogenesis and exploration potential / by S.D. Anderson, p. 42.

Assean Lake Gold Project / by J. Christoffersen, p. 42.

Cooperative geological mapping strategies across Canada (CGMS): public geoscience, exploration and development / by S. Hanmer, p. 42.

Cr-diopside (clinopyroxene) as a kimberlite indicator mineral for diamond exploration in glaciated terrains / by D. Quirt, p. 42.

East Wekusko gold belt – an underexplored gold area with structural similarities to the Snow Lake gold belt, northern Manitoba (63J-SE13) / by D.V. Ziehlke, p. 43.

Eskay Mine and the Tahltans / by Chief Jerry Asp, p. 43.

Exploration business and opportunities for Aboriginal communities / by T. Lewis, p. 43.

Exploration for VMS deposits in the Flin Flon area / by K. Gilmore, p. 44.

Exploring the Manitoba Kimberlite Indicator Mineral Database / by C.O. Böhm and G.R. Keller, p. 44.

Geological interpretation of newly acquired high-resolution aeromagnetic data, Assean Lake area, Superior Boundary Zone / by D. Corrigan, T. Corkery, H. Zwanzig, C. Böhm, M. Coyle and P. Lenton, p. 44.

Geological overview: target your exploration / by E.C. Syme, p. 44.

Geology and mineralogy of 1.88 Ga mafic-ultramafic intrusive complexes in the Lynn Lake greenstone belt, Manitoba / by L. Hulbert, p. 45.

Gold metallogeny and exploration potential of the Trans-Hudson Orogen of Manitoba / by C.J. Beaumont-Smith, p. 45.

Hot, thin and mineral-rich – evolution of the Paleoproterozoic Trans-Hudson Orogen in western Canada / by H. Zwanzig, p. 45.

Hudson Bay Lowland Phanerozoic stratigraphy: recent developments / by R.K. Bezys, G.L.D. Matile, and J.D. Bamburak, p. 46.

Indicator mineral methods in mineral exploration / by H. Thorleifson, p. 46.

Iron oxide Cu-Au-U-REE deposits and the prospectivity of pinkstone belts / by L. Corriveau, p. 46.

Kinematics of the Assean Lake and Aiken River deformation zones, Superior Boundary Zone, northern Manitoba / by Y.D. Kuiper, S. Lin, C.O. Böhm and M.T. Corkery, p. 46.

Mineral exploration and the Crown land permitting process in Manitoba / by D. Dunnigan, p. 46.

Mineral exploration and the Fisheries Act / by B. Ross, p. 47.

The Mineral tenure system within an integrated management process / by C. Jones, p. 48.

Musselwhite Aboriginal Agreement / by C. Seeley, p. 47.

North Star gold veins, history and development / by S. Masson, K. Albert, and R. Masson, p. 47.

An overview of Canadian diamond exploration / by E. Thomas, p. 42.

PGE in Manitoba: what's new for 2004 / by Peter Theyer, p. 47.

Rice Lake Gold Corporation – Manitoba's next gold producer / by D. Ginn , p. 47.

Superior margin program news / by C.O. Böhm, M.S. Bowerman, M.W. Downey, R.P. Hartlaub and Y. Kuiper, p. 48.

Tackling the last true northern frontier: towards a modern tectonostratigraphic framework for the western Churchill Province / by S. Pehrsson and the Western Churchill Metallogeny Project team, p. 48.

External Publications

Böhm, C.O., Heaman, L.M. and Machado, N. 2004: Neoarchean high-grade metamorphism of the Pikwitonei Granulite Domain, NW Superior craton (abstract); Geological Association of Canada–Mineralogical Association of Canada, Joint Annual Meeting 2004, St. Catharines, Ontario, Abstracts Volume 29, p. 330.

Böhm, C.O., Kaszycki, C.A., Lenton, P.G., Syme, E.C., Keller, G.R. and Matile, G.L. 2004: Revealing Manitoba's hidden kimberlites; (abstract); Geological Association of Canada–Mineralogical Association of Canada, Joint Annual Meeting 2004, St. Catharines, Ontario, Abstracts Volume 29, p. 260.

Brooks, G.R., St. George, S., Lewis, C.F.M., Medioli, B.E., Nielsen, E., Simpson, S. and Thorleifson, L.H. 2003: Geoscientific insights into Red River flood hazards in Manitoba: the final report of the Red River Flood Project; Natural Resources Canada, 1 v.

Downey, M.W., Lin, S. and Böhm, C. 2004: Preliminary investigations on the structural geology at the Superior

craton margin at Gull Rapids, northern Manitoba (abstract); Geological Association of Canada–Mineralogical Association of Canada, Joint Annual Meeting 2004, St. Catharines, Ontario, Abstracts Volume 29, p. 473.

Downey, M.W., Lin, S. and Böhm, C. 2004: The structural geology, kinematics, and timing of deformation at the Superior craton margin, Gull Rapids, Manitoba (abstract); Canadian Tectonics Group, Fall Meeting 2004, Saint John, New Brunswick, abstract volume.

Gompf, K. 2004: Manitoba 2003 oil activity review; *in* Twelfth Williston Basin Horizontal Well and Petroleum Conference, May 2-4, Minot, North Dakota, p. A1-A4.

Hartlaub, R.P., Heaman, L.M., Chacko, T., Böhm, C., Ashton, K.E., Creaser R.A. and Simonetti, A. 2004: Evidence for ancient (>3.5 Ga) crustal terranes in the western Canadian Shield: new discoveries and their global context (abstract); Geoscience Africa 2004, Johannesburg, South Africa, abstract volume.

Hartlaub, R.P., Heaman, L.M., Chacko, T., Böhm, C., Ashton, K.E., Creaser R.A. and Simonetti, A. 2004: Paleoarchean (>3.5 Ga) crustal terranes of the western Canadian Shield: new results from U-Pb and Sm-Nd geochronology (abstract); Processes on the Early Earth Field Forum, South Africa, abstract volume.

Olivo, G.R. and Theyer, P. 2004: Platinum-Group minerals from the McBratney PGE-Au prospect in the Flin Flon greenstone belt, Manitoba, Canada; Canadian Mineralogist, v. 42, p. 667-681.

Prouse, D.E. 2004: Manitoba exploration and development highlights 2003; Exploration and development highlights: an annual publication of the Prospectors and Developers Association of Canada, March 2004.

Zwanzig, H.V. 2004: Hot, thin and mineral-rich–evolution of the Paleoproterozoic Trans-Hudson Orogen in western Canada (abstract); Geological Association of Canada, 2004 Howard Street Robinson Lecture Tour, (URL<http://sparky2.esd.mun.ca/~gac/OutReach/tour.htm#HSR>)

Miscellaneous Publications

- Manitoba Mining & Minerals Convention 2005 lure piece
- Manitoba Mining & Minerals Convention 2004 Registration Guide
- Manitoba Mining & Minerals Convention 2004 Program
- Exploration Activity Map 2004 – fact sheet
- Provincial Mining Week 2004- flyer
- Manitoba report for *Overview of trends in Canadian Mineral Exploration 2004*
- Target your exploration: highlights from the 2004 Manitoba Mining and Minerals Convention – article for the *Keystone Professional*
- Manitoba exploration and development highlights 2004 - article for *Northern Prospector 2004*, *Manitoba Mining Review 2005*, *Northern Miner* and *SEG newsletter*
- Manitoba Potash Project brochure

New Web Site Documents/Applications

- Publication Sales (new releases of geological reports and maps)
- Report of Activities 2004
- Provincial Mining Week 2004
- 2004 Exploration Activity Map
- 2004 Exploration and Development Highlights
- 2004Manitoba Mining and Minerals Convention
- Manitoba Oil Activity Review 2004
- Manitoba Petroleum Fiscal Regime
- Manitoba Oil Lease Sale Statistics 1979-2004
- Designated Fields and Pools 2005
- GIS Map Galllery (new section for petroleum maps)